UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 61. Section 1. March 15, 1922.

Soldier Bonus Legislation

Secretary Mellon, Comptroller of the Currency Crissinger, and Governor Harding, of the Federal Reserve Board, appeared before the House Ways and Means Committee, March 14, and gave further statements regarding the bank loan provisions of the soldier bonus bill. After hearing Treasury officials, the committee, by a vote of 19 to 5, ordered the bill favorably reported, with the bank loan provision intact. By the same vote, the committee rejected an amendment under which the bonus would have been financed by the sales tax. (Press, Mar. 15.)

Retirement Legislation

The House Committee on Reform in the Civil Service, March 14, ordered a favorable report on a bill, already passed by the Senate, protecting the pension rights of 6,400 superannuated Government employees who had been retired from the service and of 80,000 more who are still in the service, all of whom were appointed by executive order and not after competitive examination. The bill is practically without opposition, and its passage before April 1 is expected. (Press, Mar. 15.)

Reorganization Legislation

The Washington Star for March 14 says: "Confirmation of an article several weeks ago in The Sunday Star that the departmental reorganization program had been held up in Cabinet conferences and that the joint congressional committee has never considered any one of the many shifts of bureaus, commissions or divisions or service involved was given in the House by Representative R. Walton Moore of Virginia, a member of the joint committee, on March 13.

"When the Forest Service item in the Agricultural appropriation bill came up Representative Moore quoted an article from a Washington morning newspaper on the subject of reorganization, with particular reference to the proposed transfer of the Forest Service from the Department of Agriculture to the Interior Department. He said: 'The writer of the editorial is under a misapprehension in assuming that the joint committee has made any report whatever relative to the transfer of the Forest Service or relative to any other matter that is within its province. It could not have made any report because it has never taken up any of the many questions that have been talked of as likely to be considered. It could not have made any report because it has never had any meeting to take up and deal with any of those numerous questions. As has been said here more than once, the committee, having been created by the last Congress, selected as its chairman the gentleman appointed by the President to cooperate in its work, following which action there has been but one meeting of the committee, and that occurred in June, and the only business transacted at that meeting was to receive a letter from the President saying he would be

glad to submit suggestions to the committee for its consideration, and a reply directed to be sent to the President saying that the committee would be glad to receive and consider his suggestions. Since that meeting was held in June not only has no meeting taken place, but the committee has not been in contact with its chairman. ...' "

Clifford Thorne Urges Rate Reduction

Railroads constitute the only great industry in the country which have not been "compelled by the laws of commerce and industry to reduce prices and reduce costs," according to a brief filed yesterday with the Interstate Commerce Commission by Clifford Thorne, spokesman for shippers, in closing the general investigation into transportation rates. Wholesale prices of commodities have declined unless "public regulation is on money 25 per cent since 1920, when the last general advances were put on railroad service charges,"the brief asserted,"and the time has come when that advance must be removed." (Assoc. Press, Mar. 15.)

Russian Concession Given by Lenine to American I. W. W.'s

William D. Haywood heads a group of American I. W. W. men to whom Premier Lenine has granted a concession to operate the big Nadejdinsky iron works, in the Ural mountain region, part of the coal mines in the Kosnetz basin and auxiliary factories. It is stipulated that 4,800 fully qualified American workers, with a technical personnel, shall be brought into Russia to operate the properties. The announcement states that the Government has assigned $300,000 toward financing the undertaking. It is also to provide wood to build homes for workers and assign 27,000 acres of land for agriculture. The American workmen are to be organized into a trade union association. The whole production of all these concessions is to go to the Government, which undertakes to supply the workmen with a ration and allow them part of the production as necessary means to carry on further work. (Assoc. Press dispatch from Moscow to press of Mar. 14.)

Commenting upon this news item, The Washington Herald to-day says in an editorial: "Perhaps the dire urgencies, the compelling necessities of life in Russia, operate to bring out and intensify any quality of leadership, any executive ability a man possesses. Jail sometimes functions in this way to put a felon on his feet. But when Nicolai Lenine grants Big Bill Haywood and some associates a concession to operate a great iron and coal development in the Ural Mountain region and Tomsk district it seems that he is reposing a trust which no quantity of Russian air or Russian existence could marshal such characteristics of strength as to vindicate. ..."

Bread Price Increase Investigation

General increases in the retail price of bread ranging from one to two cents a pound loaf are expected in the District of Columbia to-day, as a result of the increase by practically all wholesale dealers in bread of a cent a pound loaf. District Attorney Gordon declared yesterday he would immediately investigate the general rise in bread price effective to-day. (Press, Mar. 15.)

Peanut Marketing

By far the biggest deal ever consummated in the peanut industry was announced in Suffolk, Va., March 14, by Manager Birdsong, of the Peanut Growers Exchange, Inc., who declared that the exchange had gone into the business as a cleaner in competition with the great cleaners of the trade. (Press, Mar. 15.)

Section 2.

Agricultural Financing

The War Finance Corporation announces that from March 9, to March 11, 1922, inclusive, it approved 91 advances, aggregating $2,504,000, for agricultural and live-stock purposes in 22 States. During the week ending March 11, 1922 the corporation approved a total of 233 advances, aggregating $5,427,000, for agricultural and live-stock purposes. (W.F.C. press statement, Mar. 13.)

British Government Economy Report

The Economic World for March 11 republishes an extensive summary of the report of the Geddes committee on economy in British governmental expenditures, by Henry Clay, London correspondent of the New York Evening Post. Mr. Clay says: "The Geddes report has only crystallized a movement for cutting down public expenditure that was certain to be effective in any case. The actual economies put into force will only accidentally and in part be the economies that it recommends. If it does acquire a place in history corresponding with its contemporary notoriety, it will be as a landmark in a process of constitutional change that subordinated the House of Commons to the Prime Minister and Cabinet; but that change is still far from being complete, and the Geddes report is still merely a contribution to the problem of public finance."

British Government Export Credits Scheme

"Large use is being made by British exporters of the Government Export Credits scheme, according to the latest figures of the British Board of Trade. On December 31, 1921, approval had been given to applications for advances, guarantees and credits under the scheme amounting to 6,071,665 pounds. This compares with 2,086,745 pounds approved up to March, 1921, and 3,353,454 pounds (advances and guarantees) approved up to November, 1921. Detailed figures received by the Bankers Trust Company of New York, from its English Information Service, indicate that Government guarantee of drafts is proving a more popular feature with exporters than direct advances on export shipments, which were originally proposed for aiding export trade." (The Annalist, Mar. 13.)

Cooperative Milk Marketing

"New York dairymen must not throw any more verbal brickbats at 'big business.' They admit themselves that they have the greatest cooperative selling organization in the world. They are shipping their products of surplus milk to other states and at the same time maintaining a good price for their own fluid milk. According to the latest available statement of the Dairymen's League Cooperative Association, Inc., the total milk sales for the eight months ending with December were 1,710,256,591 pounds, or 855,128 tons. That is some tonnage! For this production the association handled $45,007,-977.71. The league is going about its work in a businesslike way. It carries large advertisements in city daily papers boosting the sale of its canned condensed milk. It also contributes to funds used to advertise the food values of fluid milk in the cities which it supplies. It is a good model for other cooperatives to pattern after in more ways than one." (Ohio Farmer, Mar. 11.)

Foreign Radio Service

Direct communication between the United States and Sweden is assured by virtue of an agreement between the Swedish State Telegraph Board and the Radio Corporation of America, according to a Stockholm dispatch to the press of March 14.

Free Seed Legislation

"The Free Seed Joke" is the title of an editorial in The Dairy Farmer for March 1, which says: "The great oak that 'from a tiny acorn grew' has nothing on the free seed distribution joke that is pulled on the public every spring. From a modest start of $1,000, appropriated by Congress in 1839 to the Patent Office for the purpose of procuring and distributing seeds of 'rare and improved varieties', the free seed appropriation reached the sum of $360,000 last year. And in 45 years the appropriation has amounted to almost $9,000,000. Has that investment ever made returns enough to justify the use of so much of the tax payer's money? Last spring in commenting upon free seeds, we stated that we would like to hear from every reader of The Dairy Farmer who had ever received a single package of them, and get his estimate on the value of such seed. We received a great number of letters. With one exception they stated that they had never received seeds of any value. Some told how bundles were sent to farm organizations, where they were put out for everyone to help himself and none was taken. Others told of weird freaks that grew when they planted seeds labeled 'radish'. How long our representatives at Washington will continue to send out seeds of doubtful or inferior garden truck to pull votes is a question."

Grain Grading

The Northwestern Miller for March 8 says in a review of the hearing in Oklahoma City, March 1: "If the advice of millers and grain dealers is heeded by the board of review of the Bureau of Markets of the Department of Agriculture, rules for the inspection of grain in southwestern states will be less rigidly interpreted. This advice was given representatives of the board during a hearing in Oklahoma City on March 1. It was complained, in statements that told of heavy losses because of non-uniformity of inspections, that inspectors made reports to the disadvantage of the grain being inspected when they were in doubt. Thad Hoffman, who represented the Kansas Flour Mills Co., of Kansas City, insisted that the grain be given advantage of the doubt. ... Every man who spoke on that phase of the subject told of heavy losses during the last four months. 'Something happened suddenly about four months ago, a mysterious something,' several speakers said, and they charged that inspectors were given new instructions or were more rigidly enforcing the rules. ... Rules were right and inspectors probably were not at fault, said R.T. Miles of Chicago, who is in charge of field headquarters, but the trouble lay in an economic condition. The 1921 crop was of low grade, he said, and the department had not in many years found so much heat damage. He thought that complaints had their origin to some extent in the fact that about the time the heaviest receipts were recorded at Galveston the export demand ceased. ... "

Live-Stock Marketing

"Rivalry in Cooperative Marketing" is the title of an editorial in Wallaces' Farmer for March 10, which says: "The farm forces working for cooperative live-stock marketing at the terminals seem to be splitting into two rival groups. The National Live Stock Producers' Association, sponsored by the Committee of Fifteen, is being opposed by the Farmers' National Cooperative Live Stock Marketing Association, an organization supported by the eight commission companies already in existence at different markets. This includes the Farmers' Union companies of Omaha, Sioux City, Denver, Kansas City and St. Joseph, the Equity firms at Chicago and South St. Paul, and

the Missouri Farm Clubs Commission Company at St. Louis. This division may have one of two results: It may mean chaos, a tooth and nail fight that will result in the extinction of both groups. It may mean a spirited rivalry in giving service to the farmer, a rivalry that will strengthen the efficiency of both. Live-stock commission men are, of course, hoping for the first result. The farmers in both camps can hardly do anything else than work for the second. ... It seems to us that the action of the Farm Clubs was unfortunate The Committee of Fifteen had worked for months on a live-stock marketing plan. The ratifying convention had approved the project. Plans were being laid to carry out the program in several markets. It was an open secret that the St. Louis market would be one of the first entered. Under the circumstances, it would have been a generous and wise action if the Farm Clubs had considered the welfare of the whole cooperative marketing movement and had permitted the Committee of Fifteen to try out their plan in the St. Louis market without this competition."

Russian Situation

The Economic World for March 11 publishes the stenographic report of an address, delivered by Sir Paul Dukes, formerly chief of the British Secret Service in Soviet Russia, delivered in New York before a recent meeting of the Trust Companies of the United States. In this the speaker said: "What was the Russian Bolshevik policy at the outset and what is it to-day? The Bolshevist Government has nothing to do with Russia; it is an Internationalist Government, it came about to bring about a world revolution ... if it finds it within its power to do so. We must keep that fact firmly in mind." Referring to the necessity for making radical changes in economic policy, the speaker called attention to the fact that four months after that change in policy Trotzky made a speech in Russia in which he said that the policy of economic concessions was merely a temporary one, and that it was the continued aim of the Soviet Government to propagate world revolution. Sir Paul continues: " ... Moreover, in September of last year there was a secret meeting of the Third International in Moscow, at which unemployment was discussed and it was resolved to foment and aggravate unemployment in all countries by underhand methods, in the hope that workers would be driven to desperation; then the Soviet would openly step in and establish the regime of the Soviet by revolution. ... Their olive branch to capitalism, similarly, is a move of tactics. ... Now the policy which I suggest toward Russia may be summed up in two words: cautious approach. ... There is no essential difference in results between trade and relief. The difficulty of trading with Russia at the present time is this: That you will not get any return for it, because Russia has absolutely nothing to offer. The effects of relief, however, are many, and the Bolsheviki are very much afraid of the relief which is going into Russia, even at their own invitation. That relief is serving to prove to the Russian people the futility of Communistic policy abroad. ... Now, it is a very urgent matter to prevent at the present moment any sudden revolutionary change in Russia. ... Recently, ... the Prime Minister of Latvia ... predicted that under the influence of peaceful penetration, peaceful intervention, in Russia by relief or trade missions, Lenine would be driven in the course of this year or, at the very latest, of next year, into open conflict with the Internationalist group. ... "

Section 3.

Department of Agriculture

The Washington Herald to-day says: "Charging Secretary Fall with making 'statements that are at variance,' Senator Edwin F. Ladd, of North Dakota, has issued a statement declaring that the Secretary of the Interior has not revealed his true position as regards the Curry bill. This bill, which provides a new plan for the development of Alaska, and the transfer of the Forest Service to the Department of the Interior, has been termed by conservationists 'the most daring piece of legislation of our day.' ... Secretary Fall, who has stated repeatedly that he opposed the Curry bill, is charged by Senator Ladd with having sponsored the legislation. Representative Curry, chairman of the House Committee on Territories, declared that 'Secretary Fall favored my bill until the hearings revealed that another measure might be better.' ... Opposition to the Curry bill became so strong, it is stated, that its sponsors abandoned the attempt to pass it at that time, and a substitute, known as the 'new bill,' which Secretary Fall drafted, was presented at the same hearing. Speaking in support of the substitute, Secretary Fall said: 'In event that authority should be vested in the Interior Department to handle these matters in connection with the various natural resources I may say to you, Mr.Chairman, that my idea would be to carry out the provisions of the original bill.' ... "

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 14: Grain prices reacted after early break, Chicago May wheat higher at $1.34; Chicago May corn higher at 61 1/4¢. Cash market strong; trading basis higher. Flour trade improved. Foreign markets lower. Corn receipts light. Closing prices in Chicago cash market: No. 2 red winter wheat $1.34; No. 2 hard winter wheat $1.31; No. 2 mixed corn 57¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa 44 1/2¢; No. 1 dark northern wheat in Central North Dakota $1.25; No. 2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices down 25 to 40¢, bulk of sales $10 to $10.50. Beef steers and fat she stock down 15 to 25¢, medium and good beef steers $7.15 to $9; butcher cows and heifers $4.15 to $8. Fat lambs down 10 to 25¢ at $13 to $15.75.

Potato markets slow and steady. New York sacked Round Whites weaker f.o.b. shipping points at $1.64 to $1.68 per 100 lbs. Maine Green Mountains in bulk steady f.o.b. at $1.31. New Jersey Yellow sweet potatoes steady in New York City at $2 to $2.25 per bu. hamper. Florida Spaulding Rose potatoes No. 1 in Philadelphia $11 per bbl.

Spot cotton unchanged at 17.18¢ per lb. New York March futures up 3 points at 18.14¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 14: Average closing price 20 industrials 87.92 as compared with 73.87 corresponding day 1921; average closing price 20 railroad stocks 79.56 as compared with 70.16. (Wall St. Jour., Mar.15)

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Secretary Mellon Objects to Agricultural Representation on Reserve Board

Objection to increasing the membership of the Federal Reserve Board to give agricultural interests representation, as proposed in a bill passed by the Senate, was voiced March 15 by the Secretary of the Treasury at a hearing before the House Banking Committee. Mr. Mellon said the board as now constituted was looking after the interests of farmers, declaring it was natural that some one on the board would always be interested primarily in credit as it affects the farming regions. He expressed opposition to a suggestion that the Secretary of Agriculture be made an ex-officio member of the board, declaring that an increase in membership would tend to make the board unwieldy. Secretary Wallace advocated the measure, seeing nothing ill-advised in increasing the size of the board. Governor Harding, of the Federal Reserve Board, was of the same mind as Secretary Mellon regarding the addition of another member to the board. (Press, Mar. 16.)

Federal Aid for Seed Grain

Senate and House conferees, March 15, agreed on a compromise sum of $1,500,000 for Federal aid to farmers for purchasing seed grain in crop-failure areas. (Press, Mar. 16.)

Duty on Hides

The Senate Finance Committee, March 15, agreed to a 15 per cent duty on hides, which, under the existing law, and under the Payne-Aldrich law, were on the free list. (Press, Mar. 16.)

Highway Funds Asked

Before the House Roads Committee, March 15, William C. Markham, representing the American Highway Officials and the American Farm Bureau Federation, urged appropriation of funds sufficient to continue without interruption the Federal highway construction program. (Press, Mar. 16.)

Bonus Legislation

David Lawrence says in The Washington Star for March 15: "The House will pass a bonus bill and the Senate will shelve it for this session at least. That is the outlook now that the House Ways and Means Committee has received and ignored the advice of the Secretary of the Treasury, the Comptroller of the Currency and the Governor of the Federal Reserve Board to the effect that the bonus bill in the form proposed would be a bad thing for the economic condition of the country. ... "

Foreign Trade

American exports for February amounted to $251,000,000 as compared with $278,872,590 for January, and imports last month were valued at $217,000,000 as compared with imports of $217,195,190 the previous month, according to the foreign trade survey issued March 15 by the Department of Commerce. Exports for the eight-month period ending with last month were $2,480,425,790 against $5,122,757,390 for the eight months ended in February, 1921. Imports for the last eight months were valued at $1,652,866,430 as compared with $2,757,309,685 for the eight months ended with February a year ago. (Press, Mar. 16.)

Foreign Trade Statistics

Consolidation of collection of foreign trade statistics in the Department of Commerce is proposed in a bill transmitted to the Senate from the Department of Commerce March 15. (Press, Mar. 16.)

Grain in Minnesota

The first reliable estimate of the amount of grain in the hands of Minnesota farmers is furnished by the cooperative crop reporting service, with headquarters at St. Paul, according to a dispatch to the press of to-day, which states that farmers have 36 per cent of their 1921 corn crop on hand, 25 per cent of wheat, 41 per cent of oats and 31 per cent of barley. There were on Minnesota farms March 1, 50,582,000 bushels of corn, 6,235,000 bushels of wheat, 38,612,000 bushels of oats and 5,493,000 bushels of barley. At present market values this grain is worth around $45,000,000 to the farmers.

Potash Price Increase

A dispatch from Berlin to the press of to-day states that the executive committee of the potash syndicate has submitted a proposal to increase prices from 20 to 25 per cent. The Government will act on this proposal on March 21.

Agricultural Situation in Iowa

"Iowa is All Right Again" is the title of an article by Edward G. Lowry in to-day's Philadelphia Ledger. This says in part: "Iowa stands to the East as the classic model of the mid-western agricultural States. It is therefore particularly interesting to visit it at this time. It is a sort of a national habit of mind to ask what the agricultural situation is in Iowa and then judge the rest of the United States accordingly. This usage of making Iowa the standard test case applies to the West as well as to the East. So that, when it began to be noised about through this western country last autumn that Iowa was in a bad way economically and financially and approaching insolvency, the apprehension spread to the neighboring States. ... It was along about this time, toward the end of October, that the War Finance Corporation began loaning money in the State. The effect in restored confidence has been immediate and striking. The present new attitude of mind, the recovery, began along in January and is progressing. The farmer feels with the banker and business man that he is now out of the hole; that this year he can make a long stride forward toward paying his debts, and that next year he will see really good times, as in the old before-the-war days. This new feeling and buoyancy is manifested in a thousand ways. ... "

Section 2.

California Fruit Growers New Head

Earl G. Dezell, for a number of years assistant general manager of the California Fruit Growers' Exchange, was unanimously elected general manager of the exchange by the board of directors, March 1, to succeed G. Harold Powell, who died suddenly on March 18. (The Florida Grower, Mar. 11.)

Cotton

"A Shortage in Cotton" is the title of an editorial in The Wall Street Journal for March 15, which says: "There were 473,073 running bales of lint cotton consumed in the mills of the United States in February, compared with 395,115 a year ago. The increase is substantial and, taken in connection with the steady improvement since the first of August last, indicates a rapid depletion of the stocks of American cotton, and an actual shortage, verging on famine, in 1923. There were 8,340,000 bales of 500 pounds each raised last year. Since the crop year opened, domestic mills have actually spun 3,484,525 bales, and foreign interests have taken 3,922,710 more. Here is a total of 7,407,235 bales taken out of that crop in seven months. In addition the mills have in stock 1,596,582 bales. These three items aggregate 9,003,817 bales. The crop of 1921 has already been taken up and a substantial inroad made in the carryover from previous years. That carryover, on the first of August last, according to the Bureau of the Census, was 6,534,360 bales of lint and 696,279 of linters. This was cotton of all grades and classes. This is the supply of cotton in the United States to meet domestic mill demand and exports until the new crop comes. As world takings of American cotton thus far are one-third greater than a year ago, the prospects are that the present supply of cotton will be near the zero point by the time the new staple arrives. ... All statistics and facts point to a crop of cotton during the 1922-23 season, that will fall considerably below the world need, with no carryover to eke out the short production."

County Agents

The Country Gentleman for March 18 says in an editorial entitled "Ten Years of Accomplishment": "This week closes the tenth year of county-agent work in the Northern and Western States. It has been a decade of wonderful accomplishment. The full scope and value of the forces set in motion by the county agent can not be gauged now; that is a task for history. But in the wide application of better methods of production and distribution, the realization by farmers of the importance and the needs of their industry, we can now see and credit the hand of the county agent. The stimulus the county agent has given to farm cooperation would justify all the expense and labor involved in county-agent work. Business done by cooperative organizations, which county agents helped to create in the Northern and Western States, grew from $3,764,783 to $375,714,660 from 1915 to 1920. And it is estimated these cooperative organizations save the farmers more than $20,000,000 a year. But better even than the direct saving has been the sense of self-help this cooperative work has engendered in the farmer. The county agent has unlocked the power within the farmer himself to solve many of his problems. Moreover, he has caused farmers to see that they, as well as other business men, can afford to hire a skilled man to do for them the things they haven't the time or training to do themselves."

Foot and Mouth Disease in Britain

"The Problem of Foot and Mouth Disease" is the title of a review of the situation as it prevails in England, with a diagnosis of the disease, by Prof. W.R. Simpson, C. M. G., in Country Life (London) for March 4. In this the author says: "Notwithstanding the strenuous efforts of the Agricultural Department, the epidemic of foot and mouth disease has inflicted a considerable loss on the country. This is not surprising in view of those efforts having unfortunately been handicapped by the very infectious nature of the disease, by its catholicity in attacking other animals besides cattle, and by the fact that the infective and casual agent of the disease has not yet been discovered, as has been the case in many of the other infectious diseases."

"Hearings"

"The Hearing Habit" is the title of an editorial in The Price Current Grain-Reporter for March 8, which says: "The camouflage of the 'hearing' is one of the perspicuous jokes of Washington. Ostensibly a 'hearing' is a function to get at truth. In fact, it is a means of disguising the truth. The real experts on any subject are rarely called, or their testimony is ignored, or if it is convincing the witnesses are heckled in order to discredit their evidence. At the recent hearing by the subcommittee of the Senate in the inquiry into the activities of the G. D. N. Ass'n as regards the U. S. G. G., Inc., the latter method was used in taking the rebuttal testimony, when witnesses were called, not to establish an error in the direct testimony of such men as R. I. Mansfield, A. E. Reynolds, Thos. Hoyne, M. Seass of Illinois, and others, but to throw mud at their personal characters. The method was that of a little pettifogger in a cheap justice court defending a dead beat; ignore the question at issue and defame the other side. The average Senator is like the average Representative; he is never seeking truth-- he is above the truth -- nor a wise program of legislation; he always knows in advance what is wisest. ... "

Live-Stock Marketing

"Cooperation between the cattlemen, the railroads, the packers and the retailers constitutes the only possible constructive future policy for the cattle industry. This fact is firmly imbedded in the minds of the men whose accomplishments are most vital to the success of the live-stock industry. Success in selling is even more necessary than the development of volume in production, for volume in production is useless to the cattleman without some assurance of just profits, and this success in selling can come only through a proper development of cooperation all the way from the producer to the retailer. Compiled statistics show what have been done; they show estimated supply and demand; the relationship between production and consumption as between countries; exchange values, and, in fact, all details concerning our industry. These statistics are necessary and essential, but they are without value unless we use them to develop cooperative action based upon definite and constructive lines." (California Cultivator, Mar. 4.)

Packers' Deficit

The annual statement of Wilson and Co., packers, revealing an operating deficit of $8,462,650 during 1921 was made public March 13. Wilson and Co. was the last of the five big packers to issue a statement, and each company reported a loss for the year. (Press, Mar. 14.)

Section 3.

Department of Agriculture

An editorial in The Creamery and Milk Plant Monthly for March says: "There has been some discussion of late about modifying the character of the National Dairy Show in such a way as to make it more of an educational agent for the general public, the idea appearing to be that the great machinery exhibit should be centered around a Government exhibit completed so as to afford to the consumer a complete visualization of the production not only of milk but of the various milk products as well. It is well to know that the nucleus for such an exhibit is already in existence. The United States Department of Agriculture possesses an exhibit which has been prepared partly for general publicity and is being shown at various dairy shows. We are beginning in the present issue the publication of a comprehensive description of this exhibit. ... In the work of popularizing dairy products the assistance of public agencies ought not to be underrated. Everybody knows that Government officials will not and can not recommend products of certain manufacturers and show partiality for one class of goods as against others. If, then, the Department of Agriculture and the various agricultural colleges are seen to array themselves so unequivocally on the side of dairy products, if the health officials are found to recommend the increased use of milk, butter, cheese and ice cream, the impression can not fail to be produced upon the public mind that the merits of these articles among other foods must be extraordinary and certain. ... There can be no question that with respect to the dairy industry the Government backing is a most powerful influence and one which ought to be placed in the forefront of the educational campaign."

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 15: General liquidation forced grain prices lower, Chicago May wheat closing at $1.32 1/4; Chicago May corn 59 1/2¢. Cash wheat market firm, closing prices: No. 2 red winter wheat $1.32; No. 2 hard winter wheat $1.30; No. 2 mixed corn 56¢; No. 3 white oats 35 1/2¢. Average farm prices: No. 2 mixed corn in Central Iowa about 43¢; No. 1 dark northern wheat in Central North Dakota $1.26; No. 2 hard winter wheat in Central Kansas $1.05.

Chicago hog prices down 10 to 15¢ early but later recovered, bulk of sales $9.85 to $10.35. Beef steers and fat she stock weak to 15¢ lower, medium and good beef steers $7.15 to $8.75, butcher cows and heifers $4 to $8. Fat and shearing lambs steady to higher, fat lambs $13 to $15.75.

Potato markets slow with little change in prices. Bulk Green Mountains $1.20 to $1.31 per 100 lbs. f.o.b. Maine shipping points. Eastern Baldwin apples A 2 1/2 $7 to $7.25 per bbl. in New York. New York Danish type cabbage $35 to $40 in New York bulk per ton.

Hay receipts continue light; demand generally good for better grades of timothy and alfalfa. Larger receipts weakening market at Minneapolis. Feed markets very dull. Offerings of millfeeds freer and prices generally lower.

Butter markets firm with price tendency upward. Good demand for all grades. Cheese markets firm at about unchanged prices. Longhorns and Square Prints scarce and higher.

Spot cotton down 20 points closing at 16.98¢ per lb. New York March futures down 27 points at 17.87¢. (Prepared by Bur. of Mkts. & Crop Est.)

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Federal Aid for Seed Grain

The Senate, March 16, adopted the compromise conference report appropriating $1,500,000 for purchase of seed grain for the aid of farmers in the crop-failure areas of the Northwest. (Press, Mar. 17.)

Soldier Bonus Legislation

Chairman Fordney of the House Ways and Means Committee, March 16, reintroduced the soldier bonus bill, as finally revised, and filed a majority report from the committee setting forth six "advantages of plan of bill." The estimated cost to the Government on this bill totals $4,098,719,350. (Press, Mar. 17.)

Radio Allocation Urged

Recommendation that a wave length of from 150 to 275 meters be allocated to amateur wireless telephone operators, that the field between those limits be sub-divided for various amateur classes, and that their status be fixed by law, was made in a report made public March 16 by the Amateur Committee of the Government radio conference. The amateur operator would continue to be under the jurisdiction of the Department of Commerce if the committee report was accepted, and, "for the purpose of self-policing among the amateurs," amateur deputy radio inspectors would be elected to serve under the Federal radio inspector in charge of each district. (Press, Mar. 17.)

American Cotton Exchange Condemned

Chief City Magistrate McAdoo, of New York, who conducted the "John Doe" investigation of the American Cotton Exchange, March 16 requested the District Attorney either to draft warrants for the arrest of certain officials and members of the exchange or immediately to lay before a grand jury evidence of bucket-shopping. (Press, Mar. 17.)

Cotton Returned from Germany

The British steamer Mackinaw, which arrived in Boston from Hamburg and Bremen March 16, brought back from Germany 5,000 bales of American cotton shipped there several months ago. The cotton was returned to this country, it was said, because market conditions in Germany at present were such that it could be sold more profitably in this country, notwithstanding freight charges. (Press, Mar. 17.)

Section 2.

Cattle Prices

"Packers and Cattle Prices" is the title of an editorial in The National Provisioner for March 11, which says: "A careful study by students of the matter has brought out the striking fact that for the last 50 years, in spite of drouths, business and financial depressions and panic, there has been an even, steady tendency for cattle prices to rise for about 7 years, and then to fall for about 7 years. Starting with a low point in 1876, cattle prices rose to a high point in 1885, that is for nine years, after which they receded from the high point to a low point in 1892, in 7 years. Prices moved up from the 1892 level to a new high in 1900, some 8 years, but in accordance with the law of the cycle cattle prices went from the high of 1900 to a low in 1908. Again the swing upward set in, and by 1915 a high point was reached, followed in turn by a reaction until 1922. If this natural fundamental cycle were appreciated it might aid in an understanding of what determines the changes in cattle prices to which every one is subject. If enough live-stock producers know this it might be possible to slowly overcome these present swings to some extent in the future by more careful breeding and more regular marketing. In this latter direction the meat industry has begun by the establishment of the National Livestock and Meat Board."

Cooperative Marketing Bill

"This legalizing of marketing associations has long been desired. It now removes the taint of 'restraint of tradism' that attaches to combines contrary to the spirit of the Sherman Act. The way is cleared and the American Farm Bureau and other cooperatives may now try out their ideas and see whether this system will result in all that is hoped for it. It is certainly a step in advance, for there is no reason why farmers may not unite to sell their products advantageously. The only objection would be the usurpation of such powers to the detriment of the whole people. This is not expected of farmers, for in all times they have shown a spirit of fair play that has not always characterized other industrial combinations." (Farmer and Breeder, Mar. 15.)

Cotton Growing

Southern Agriculturist for March 15 says in an editorial entitled "Consider the Negro Cotton Grower": "To all the cooperative marketing associations we would like especially to commend the spirit shown by the Burley Growers' Association. A large part of the cotton crop is grown by negro labor -- that is by ignorant, inefficient, poorly paid labor. The cotton grower has usually received less than a fair price for his crop largely because so much of that cotton was produced by negroes whose labor was poorly directed, whose living standards were low, and whose pay for their work was held down in proportion. Every cotton grower competes with this low-priced, inefficient labor; it helps fix the price for his product. The cotton-marketing associations will neglect -- yes, work directly against their own interests--if they do not make it a point to assist the negro tenants and croppers outside the association in the marketing of their crops. The association must to the very extent of its ability extend whatever market advantages it may secure to the poorer farmers of its territory. It will not be enough to take over the crops of these farmers at sacrifice prices and then try to market them at a profit to the association."

Farm Economics

Hoard's Dairyman for March 10 says in an editorial: "In this period of readjustment, much attention has been devoted to economic questions, to legislative matters, and to more efficient marketing of farm products. The discussions devoted to improving our markets, to understand economic laws, and to secure legislation that will permit farmers to conduct their enterprises upon the proper basis are valuable and important. We think there is a tendency, however, to overestimate the good that will come to the dairy farmers throug legislation, better marketing, and a better understanding of econom laws. All these things have their place, but we should be careful t assign to them their proper values. There is much larger opportunit for increasing the profits of the farm through more efficient metho of handling our acres and live stock. ... The farmer who raises timothy must operate three acres in order to get as much total nutr ents as alfalfa will provide from one. and in order to get the same amount of protein it will be essential to operate ten acres. This means a larger investment for the growing of timothy and extra work. We need to pay more attention to the fertility of our acres; to the kind of crops to raise for the proper feeding of our live stock and to the character of the live stock kept. To a large extent the farmer controls these factors. Legislation, improved methods of marketing, and understanding economic laws have a large place in the farmers' program, but to know how to run the farm properly is of far greater value and will bring far larger returns to the farm."

Grain Growers to Meet

The first annual convention of the U. S. Grain Growers, Inc., will be held at the Chicago office of the U. S. Grain Growers, Inc., beginning March 21. The convention is a business meeting of the elected representatives of the Grain Grower membership for election of a board of directors and decision of policies and methods of operation rather than an annual rally, the officers said. All sessions will be held in the Grain Growers offices at 59 East Madison Street. The convention will probably last for two days. (U.S. G.G. press statement, no. 49.)

Grain Marketing

Farmers' Elevators and Grain Growers' associations, to the number of 1,103 have affiliated with the U. S. Grain Growers, Inc., according to the latest recapitulation of organization progress made in mid-western States by the farmers' grain company. Membership of individual grain growers' increased to a total of 51,202 last week, representing an average of 46 growers at each shipping point. Members have not been solicited around many of the affiliated elevators, however, according to the organization department of the association, so that the actual average of membership at organized shipping points will run much nearer 75. (U.S.G.G. press statement, no. 49.)

Meat Marketing

An editorial in The National Provisioner for March 11 says: "The organization of meat councils in many cities has made possible very gratifying progress in cooperation for better distribution, merchandising and sale of meats. This is of especial advantage to the progressive dealer in enabling him to keep his expenses in line. With the establishment of the National Association of Meat Councils, a definite plan to carry out this proposition has been worked out. ... In addition, there has been obtained the cooperation of the United States Department of Agriculture and of Director Socrist of

the Bureau of Business Research of Northwestern University. All of these organizations have expressed themselves as being enthusiastically in favor of preparing such a system of accounts to aid in economical retail distribution of meats, reducing of prices and increasing of profits."

Nebraska's Agricultural Situation

"Nebraska Convalescing" is the title of an article by Edward G. Lowry, in to-day's Philadelphia Public Ledger, which says: "The farmers who produce grains and raise hogs are now well on the way back to normal and what they believe to be permanent prosperity. Cattle raisers are in better condition than they were three or four months ago, but their situation is still unsettled. The stock raisers say they must have cheaper money. This matter of financing cattle loans is a special problem. It means long-term borrowings, and some of the banks do not like to take the business. Just now the normal number of cattle is not on the ranges. Nebraska makes no secret of the fact that since last autumn the State has been having a hard time. The value of her products had decreased, and the farmers were still paying high prices for everything that they had to buy. The change for the better has come since the first of the year, and chiefly since the first of February. Farm products have all advanced, ranging from an increase of 68 per cent in corn prices to 17 per cent for hay. Hogs are up 38 per cent and sheep 65 per cent. The total value of the State's farm products has increased from $392,000,000 on November 1, 1921, to $457,000,000 on March 1 this year. While these increases were going on the prices of the things the farmer had to buy were decreasing. The War Finance Corporation has put about $12,000,000 into Nebraska since last November. This money is in the form of long-time loans, and has relieved the strain on the banks and eased the demands that were being made upon the farmer to liquidate. This additional credit has helped the farmer to market his corn at a higher price, either by holding it or feeding it to live stock. The most encouraging condition of all in the State is the new feeling of confidence and buoyancy, though this new state of mind is not as marked or as easily discovered here as it is in Iowa. ... Still there is a profit now in farming and in producing all of the things that brought Nebraska to its present estate. The farmers out here may have been hard up, but they were a long way from being broke. Fundamentally, the condition is sound. This is the testimony of bankers and business men as well as that of the intelligent farmers."

Section 3.

Department of Agriculture

1. Referring to Secretary Wallace's complaint against live-stock firms that are members of the St. Louis Livestock Exchange, The National Provisioner for March 11 says: "This is the first formal complaint under the Packers and Stockyards Act, approved August 15, 1921, and its issuance is the outgrowth of a considerable amount of complaint at the St. Louis market. The St. Louis exchange officers deny there has been any boycott."

2. Basing an editorial on the department's recent statement on the outbreak of rabies in the State of Washington, The Washington Herald to-day says: "The resources of the Department of Agriculture,

its readiness to serve, are well illustrated by this contingency. The force of hunters employed cooperatively by the Federal and State Departments of Agriculture were dispatched immediately to the localities where the disease occurred, working with State and county health officers in the effort to check the plague. ... All efforts to eradicate the coyote have been in vain. ... The present outbreak of rabies may spell the coyote's doom through determined efforts on the part of all States where it is found in numbers to destroy the breed and prevent the coming of another miniature reign of terror."

Section 5.

MARKET QUOTATIONS.

Farm Products

Mar. 16: Chicago wheat prices lower early in sympathy with Liverpool but reacted later and closed strong, Chicago May wheat higher at $1.35 1/2; Chicago May corn higher at 61 1/4¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.35; No.2 hard winter wheat $1.33; No. 2 mixed corn 58¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa about 45¢; No. 1 dark northern wheat in Central North Dakota $1.25 1/2¢; No.2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices up 10¢, bulk of sales $10 to $10.45. Beef steers steady, medium and good grades $7.15 to $8.75, butcher cows and heifers $4 to $7.75. Fat lambs strong to 25¢ higher at $13.25 to $16.

New York potato market firm, Chicago steady, Baltimore weak, other markets nearly steady. New York sacked Round Whites steady f.o.b. at $1.71 per 100 lbs. Maine Green Mountains in bulk steady f.o.b. at $1.21 to $1.31. Florida Irish Cobblers No. 1 in double head bbls. $11 in Pittsburgh.

Hay receipts continue light; demand generally good. Larger receipts weakening market at Minneapolis. Feed markets very dull. Offerings of millfeeds freer and prices generally lower.

Butter markets firm. Cheese markets also firm with fairly active buying. Supply of Daisies greater than demand.

Spot cotton up 12 points closing at 17.10¢. New York March futures up 22 points closing at 16.09¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 16: Average closing price 20 industrials 88.11 as compared with 75.44 corresponding day 1921; average closing price 20 railroad stocks 79.21 compared with 70.76. (Wall St. Jour., Mar.17.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 64. Section 1. March 15, 1922.

Tariff Legislation Chairman McCumber, of the Senate Finance Committee, said March 17 he hoped to have the permanent tariff bill ready for the Senate within a week or ten days. Planning to speed up the work of rewriting the House measure, the committee majority adopted a resolution yesterday against the hearing of any further witnesses except senators themselves who might wish to present views on rates. Aside from the question of valuation, three important matters remain before the committee Republicans. They are whether there shall be an embargo upon the importation of dyes and the wool and sugar schedules. There were further hearings yesterday on the dye embargo, on which the committee was represented as being very much divided. The wool schedule is to be taken up to-day. The committee already has agreed tentatively to the rate of 33 cents a pound, scoured content, requested by the Republican agricultural bloc, and it is thought that this rate finally will be approved. There is a division as to the sugar rate, Senator Smoot and others holding for a duty of 2 cents a pound on Cuban raw, with Senator Calder, Republican, New York, urging that the Fordney bill rate be reduced to 1.40 cents a pound on Cuban raw. (Press, Mar. 18.)

Agriculture Committees to Visit Muscle Shoals Chairman Norris of the Senate Committee on Agriculture announced March 17 that the committee would leave Washington on March 25 for a survey of the Muscle Shoals project. The House yesterday passed a resolution authorizing the Military Affairs Committee to make a personal survey of the Muscle Shoals project. The trip probably will be made jointly with the Senate committee. (Press, Mar. 18.)

Farm Finance Bill Introduced A Government corporation with capital stock of $500,000,000 would be created to make loans direct to farmers under a bill introduced in the House March 17 by Representative Lankford (Press Mar. 18.)

Genoa Conference A dispatch from Paris to the Philadelphia Ledger of March 17 quotes Rene Viviani as saying: "The absence of the United States from Genoa, together with the recent demand for adjustment of the expenses incurred by the American army of occupation, has caused a sensation in Europe. In view of these conditions the conference at Genoa is thus deprived of its chief interest, for it appears that no economic sanction or European reorganization can be attempted without American assistance."

Section 2.

Agricultural Financing

The War Finance Corporation announces that from March 13 to March 15, 1922, inclusive, it approved 96 advances, aggregating $2,312,000, for agricultural and live-stock purposes in 25 States. (W. F. C. press statement, Mar. 17.)

Agricultural Situation

In a review of "The Fertilizer Situation," The American Fertilizer for March 11 says: "While probably it is a little too early to make any definite predictions as a general proposition, the farming situation looks considerably more encouraging than it did sixty or ninety days ago. In the North the price of hogs and sheep have advanced greatly, therefore the farmers have realized a good price for the feed they have given the stock. In the South the situation remains about the same, with the prospect that the demand will be larger than the ability of the fertilizer manufacturers to give credit. Taking the country over, the supply of raw materials and the demand are well balanced. The improvement in the situation during the last sixty or ninety days has caused the fertilizer manufacturer to look for a larger tonnage than 1921. An analysis of the situation seems to be that it all hinges on the low buying power of the farmers, who are purchasing only what they consider absolutely necessary. ... In some sections the trade is fully up to expectations, while in other sections the trade so far has been disappointing, owing to the fact that farmers have been holding back awaiting a possible reduction in price, which has not, and is not likely to, materialize, as there has been a substantial advance in the price of ingredients the past two weeks."

Cotton

Theodore H. Price says in Commerce and Finance for March 15: "Dementia Praecox is defined in the medical dictionary as 'a form of adolescent insanity which includes certain mental disorders that occur in early life and are especially marked by melancholia and self absorption.' We are inclined to think that the term might be used to describe the crop killing mania now epidemic in some portions of the cotton belt where the crop is said to have been destroyed although it has not yet been planted. It is alleged that in the Southwest a spring freeze has proved fatal to the young cotton and that in the East planting has been dangerously delayed by excessive rains. These melancholy stories may be taken for what they are worth, which is probably nothing. They are, however, important as indicating an early development of a persistent determination to kill the crop, and as the course of prices depends more upon whether it comes to be believed that the crop is short than upon its size as finally ascertained about the first of December next, we cannot afford to disregard the indications of this new Dementia Praecox. We have known many men to be right in their crop estimates but disastrously wrong in their market operations because they disregarded the mental aberrations which sometimes afflict the entire cotton trade."

Economic Dependence of United States

Dr. Gustav Stressmann, German economist, said before the annual meeting of the German-American Economic Association at Berlin, March 16, that no country was more independent of foreign trade than America, but since the treaty of Versailles had destroyed normal economic conditions she was suffering financial convulsions. (Press, Mar. 17.)

Economic Prospect

"The Magazine of Wall Street for March 18 says in an editorial "Signs of a more hopeful economic prospect continue to multiply. ... The more important fact in the situation is the apparent attainment of a much greater degree of economic adjustment and stability than has lately existed. Prices have now been practically level for more than six months. Banking conditions have settled down to a footing which represents practically normal relationships. There is a very much better adjustment between industries. All this has produced a far more hopeful outlook on the part of the manufacturing community, and has created a much stronger disposition to proceed in the development of business. In the farming regions, the continued maintenance of substantially higher prices for the principal products has been very encouraging, even though it has not helped the producer of last year's crops who, to a large extent, had disposed of his product before the advance set in. It has, of course, helped him in financing his operations for the new crop as well as in various indirect ways. All this tends to diminish the industrial and agricultural discontent, which has been prevalent for some months past. Coupled with the fact that unemployment is decreasing both on account of seasonal demands for labor, as well as absolutely, it makes a situation which is far more promising than any that had prevailed for some time."

Farm Practice

"An Acre Under Intensive Cultivation" is the title of an article by William Perkins, a New Jersey farmer, in The Rural New Yorker for March 18. The introductory paragraph says: "It seems almost like a fairy story to many when they hear of the amount of produce that can be grown on an acre of ground with the proper rotation, cultivation and fertilization, when planted to vegetables. Of my acre, only three-fourths is under cultivation, the rest being occupied by my buildings. When I started growing vegetables on this plot in 1908, my ambition was to grow and sell $1,000 worth of produce per year. Many of my friends and neighbors thought it could not be done, but in the year 1920 I far surpassed my fondest ambition, my sales amounting to $1,934,88. My expenses were $523.87, leaving me a profit of $1,411,01."

An editorial in the same issue says: "No one has ever reached the full possibility of a single acre of land. ... It was no accident when Mr. Perkins raised nearly $2,000 worth of produce on one acre. It required years of work and management to develop such a crop. He knew how to do it and he struck just the right combination of good crops and good prices. One thing to remember is that on the strip of land along the upper Atlantic may be found the best opportunities for doing this sort of gardening."

Honey for England

"A permanent market for American honey in the United Kingdom can be developed only through an extensive advertising campaign," says a report recently received from Hugh D. Butler, United States Trade Commissioner at London. He says an agent who represents certain American bee keepers states that there is no complaint made in regard to the California honey received in that country. In matters of color, flavor, containers, packing, labeling, etc., there is no adverse criticism. Shipments received from California and Jamaica can be depended on to be uniform quality throughout. (N. Y. Times, Mar. 17.)

Muscle Shoals

A dispatch from Detroit to The New York Times to-day says: "Declaring that 'if it's the last thing I do in this world, I'll exert every resource and influence at my command to keep the hands of Wall Street off Muscle Shoals,' Henry Ford March 17 broke his silence maintained during the last two months with regard to his offer to lease and operate the Government water-power project in Alabama. Mr. Ford made the statement to The Detroit News in response to an intimation reaching him to the effect that because of his silence, the people of Southern States had begun to wonder whether he had lost interest in the project."

Muscle Shoals Offer Assailed

The $88,000,000 nitrate plant at Muscle Shoals stands as "a monumental failure of governmental effort in a private enterprise, John T. Fetherston, former vice president of the Air Nitrates Corporation, said March 16 in an address at New York University. He declared Congress will have difficulty in preventing the American people from handing Muscle Shoals over to Henry Ford "on a silver platter plus a bonus," because they vision the plant as an inexhaustible source of cheap fertilizer for the farmer and of revenue for the Government. Mr. Fetherston offered as a correct analysis of the Ford proposal the following report by Hugh L. Cooper, consulting engineer for the Wilson Dam: "The Ford proposal calls on the Federal Treasury for $1,275,000,000 during the next 100 years, in order that Mr. Ford may secure sole unregulated possession of the greatest water power the South has, and at a cost to Mr. Ford around one-half of what similar power is available for elsewhere on the American continent." (Press, Mar. 17.)

Stock Market

The Magazine of Wall Street for March 18 says in an article on the stock market to-day: "The year has made a good start. There are additional signs that the average price of 50 stocks will, as previously indicated, work up to between 80 and 90. If the lower figure is attained, it will mean a recovery of about half of the decline from 1919-1921. Such an upward swing would be more or less normal for the period named, and should be accomplished during the next six to nine months. An advance of that extent would mean much more than a further recovery of, say, six points, which would be indicated by the averages. In some cases stocks included therein might rise twenty or thirty points, and others only a few points."

Section 3.

Department of Agriculture

The Scientific American for April contains an extensive article on the work of the Office of Foreign Seed and Plant Introduction, by R. P. Crawford. In his introductory reference to this office the author says: "Although it has had little recognition and few people know of its existence, its influence, it correspondence and its explorers touch the far-off corners of the globe where white men seldom tread. It is one of the most romantic of Government bureaus. Its explorers, whose sole duty is to discover new plants for America, travel from the heart of Africa to the innermost recesses of China. Its record of achievement is written in deeds quite as full of interest and as thrilling as more openly dangerous exploits. When this office celebrates in 1922 the twenty-fifth anniversary of its establishment, it will have imported more than 50,000 different plants and seeds to be tried out in this country."

Section 4.

MEETINGS, HEARINGS AND VISITORS.

April 11, 12 the Southern Home Economics Association will meet at St. Augustine, Fla.

April 18-23 the third International Congress of Home Economics Instruction will meet at Paris, France.

Dr. C. Barthell, director of the bacteriological department of the Central Agricultural Experiment Station, Stockholm, Sweden, is in Washington for a week, with headquarters at the Cosmos Club. Dr. Barthell was secretary of the fifth meeting of the International Dairy Federation, held at Stockholm in 1911. He has come to this country to make a general study of American agricultural and dairy methods.

Section 5.

MARKET QUOTATIONS.

Farm Products

Mar. 17: Chicago wheat market strong on reports of liberal export business. Chicago May wheat higher at $1.38 5/8; Chicago May corn higher at 62 3/4¢. Milling demand for cash wheat in Southwest and Northwest improved. Closing prices in Chicago cash market: No. 2 red winter wheat $1.39; No. 2 hard winter wheat $1.37; No. 2 mixed corn 59¢; No. 2 yellow corn 60¢; No. 3 white oats 37¢. Average farm prices: No. 2 mixed corn in Central Iowa about 47¢; No. 1 dark northern wheat in Central North Dakota $1.23 3/4; No. 2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices down 10 to 15¢, bulk of sales $9.90 to $10.30. Cattle market active, medium and good beef steers $7.15 to $8.75, butcher cows and heifers $4 to $7.75. Lambs weak to 15¢ lower at $13.25 to $16.

Most potato markets weaker. New York market steady. New York sacked Round Whites steady f.o.b. at $1.71 per 100 lbs. Maine Green Mountains in bulk down 5 to 10¢ f.o.b. at $1.16 to $1.21. Delaware and Maryland sweet potatoes up 25¢ in Boston at $2 to $2.25 per bu. hamper, steady to firm in other cities at $1.65 to $2.

Hay prices continue generally firm. Demand mostly local but in excess of receipts at Chicago, Minneapolis and Memphis. Feed markets generally weak, particularly for wheatfeeds.

Butter markets steady, price tendency upward. Receipts moderate. Cheese markets firm.

Spot cotton up 2 points closing at 17.12¢ per lb. New York March futures up 2 points at 18.11¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 17: Average closing price 20 industrials 88.46 as compared with 76.30 corresponding day 1921; average closing price 20 railroad stocks 79.28 as compared with 70.75. (Wall St. Jour., Mar. 18.)

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Vol. IV, no. 65. Section 1. March 20, 1922.

Loan Legislation

A bill was introduced in the Senate by Senator Robinson March 18 extending the authority of the War Finance Corporation to make loans to farmers and dealers in agricultural products and to extend the life of the corporation to July 1, 1923. (Press, Mar. 19.)

The Wheat Report

"Encouraging Wheat Report" is the title of an editorial in The Washington Herald to-day, which says: "Of the satisfactorily large wheat crop harvested last year by American farmers, but 72,564,000 bushels remained in country mills and elevators on March 1, the Department of Agriculture announces. This, it is added, is the smallest quantity in the record of reports made to the department for that date during the past ten years with the exception of 1918, when the abnormally low stocks of 66,000,000 bushels followed the small wheat crop of 1917. As regards percentages, the present record is untouched by any year in the decade, 1918 not excluded. The more than 72,000,000 bushels represent but 9 per cent. This is good news. It shows that the crop has been moving steadily toward the ultimate consumer, whether here or abroad. A prime factor in the low remainder is the heavy exportation of the grain, and this was greatly facillitated by monies advanced by the War Finance Corporation to cover the costs of transshipping farm products. Wheat left in the elevators bears the same relation, ordinarily speaking, to agricultural prosperity as goods left on shelves at the season end do to merchandising. It is an undesirable condition, and may be a disastrous indication of a bad market. For instance, in 1916 wheat stocks of this class were as much as 155,000,000 bushels and the hardship thus entailed on the farmers was in great measure responsible for the guarantee of prices by the Government in 1917. The brief statement from the Department of Agriculture is just another sign post along the road to a normal economic condition."

Tariff Legislation

"Our Agrarian Tariff" is the title of an editorial in The New York Times to-day, which says: "Our agricultural bloc evidently thinks that two wrongs make a right, the right being the chance to exploit the consumer as other 'interests' have done before. The bloc might have succeeded with less opposition if its program had not been brought forward just as the country has wearied of an industrial tariff for protection of producers, for the convincing reason that consumers have rebelled against the effect of taxes on the cost of living. The Senate has not perceived this, otherwise its committee would not have substituted a 15 per cent tariff on hides for the free list proposal of the House. Thus the country will be asked to protect cattle raisers at the cost of users of leather goods. In the same way users of sugar will be asked to add to its cost for profit of raisers of beets. ... "

Section 2.

Agricultural Research

The Wisconsin Farmer for March 16 says in an editorial on "More Research in Farm Marketing": "We do truly need more actual research and less theory in marketing; more hunting for existing facts and the nailing of fallacies and blunders, and less tiresome classroom and bulletin repetition of standard formulas and stereotyped suggestions on how to proceed 'thus and so.' The teacher of economics in farm marketing is right when he cries out for more air and more space in which to flap his wings. Our State college has done exceedingly well under the handicaps placed upon the leading research workers in farm marketing, who often have three to six large classes to meet weekly and a dozen or more thesis students to supervise besides. They have worked with the State department of markets in furthering the cause of the best and soundest existing farm agencies, and this is splendid, helpful and praiseworthy. Now on the other side we often hear the criticism that the growing and developing teacher and student of farm markets is hedged about by the prejudices and whims of the older professors -- many of whom look with rank disfavor on anything that smacks of free thinking or anything that upsets their laboratory brand of predigested policies. As a result of a somewhat grave tendency in this line some of our graduates and followers of farm economics have gotten stiff in the joints -- atrophied is the word, or even ossified, if you please. Their minds are often working in grooves mapped out by dead theorists and doddering philosophers. We shall never have a brilliant 'Babcock test' invented in the realm of farm economics so long as men study and do research work only by rule and rote."

Farm Organization

The Nebraska Farmer for March 18 says in an editorial: "Members of farm organizations in summing up their accomplishments should not overlook the local benefits which are really the most tangible results to the farmer. The farmer who is a member of a strong, live farm organization need not go out of his own county to see what has been done for him through cooperation in his community. We do not mean to infer that the larger unit of which he is a part cannot accomplish things of immense benefit to farmers, but that a good many of these, such as supporting farm legislation, assisting in lowering freight rates and backing cooperative enterprises, do not appeal as strongly to the individual as an organization enterprise as does a project in one's own county or community wherein the member can see the results in dollars and cents, or can sense the personal service that has been given him. If he can realize what community cooperation means to him, he cannot fail to appreciate what hundreds of communities can do working through a large unit. The farmer who is a member of a live-stock shipping association, a cooperative elevator of a Farmers' Union local has a fairly definite idea of the good it has done him and he pays his annual dues because he knows it is worth it. It should be the same with a farmers' county service organization, such as the Farm Bureau, but because of the multiplicity of its projects very often the farmer fails to appreciate the separate and combined value of them to him or to his community. From any farm organization a member can never get out more than he puts into it. The greater the cooperation, the bigger are the benefits, and cooperation means the joint efforts of every member."

Farm Products Standardization Legislation

Referring to the Farm Products Standardization Act bill, an editorial in New York Produce Review and American Creamery for March 15 says: "In respect to the standardization of farm products there would seem to be no question of the utility of uniformity throughout the country. Yet, in respect to dairy and poultry products, efforts to obtain such uniformity in quality standards established by trade organizations have failed. The National Poultry, Butter and Egg Association has formulated standards but the trade in the larger marketing centers has continued to use the differing standards locally provided. Whether or not governmental standards would find any more general acceptance if their use is discretionary is doubtful. But whether such use, although left voluntary in the measure providing for standardization, would be made compulsory under the proposed rules governing trade practices on the part of those wishing to be classed as 'approved' can not be foretold. To the thoughtful observer of marketing methods there is something appealing in any proposition that will tend to standardize business practices; that will create a clear distinction between agential relations and the relations of buyer and seller with an authoritative definition of the responsibilities and requirements in each case. ... It is probably a fact, as argued by Mr. Wells A. Sherman at the recent conventions, that handling farm products on a commission basis is the simplest and most economical method of long distance distribution. And it is worthy of the most careful consideration to determine whether the proposal to define methods of handling farm products, and to place distributors of all classes under reasonable obligations and authoritative supervision, might not remove the prevailing distrust and make more efficient and secure the position of existing agencies in the economy of distribution."

Food Costs

Retail food costs for the average family in the United States during February were 0.3 per cent less than they were during January, according to the compilations made public by the Department of Labor March 17. This decrease made the total reductions for a year average 11 per cent. Of thirty-seven articles of food entering into the average diet, reductions ranged from 28 per cent during the year on granulated sugar down to 2 per cent on canned peas. Increases were made in the prices of seven other articles, amounting to as much as 179 per cent for onions and 1 per cent for fresh eggs. Wholesale prices in February, however, showed a tendency to increase and the weighted index number was placed at 151, a gain of 2 per cent over levels in February. This resulted from a rapid advance in cotton, wheat and cattle, which occurred the forepart of the month. Since February a year ago the bureau estimates wholesale prices have declined 9 1/2 per cent. (Press, Mar. 18.)

Freight Rates

Shippers will save approximately $300,000,000 this year as a result of reductions in freight rates that have become effective the last few months, it is computed by Dr. Julius Parmelee, director of the Bureau of Railway Economics. The level of freight rates was lowered 5 per cent in 1921. This represented an annual saving of $200,000,000. Another $100,000,000 was added to the saving in

January when a horizontal reduction of 10 per cent was applied to rates on agricultural products through a voluntary reduction by the carriers, and a further cut of 16½ per cent was made by order of the Interstate Commerce Commission in rates on grain, grain products and hay. (Press, Mar. 20.)

Implement Prices

"Farmers as a rule are inclined to hold back at this time in purchasing needed implements, even when they are financially able to buy. There is a feeling that prices should decline still more, so they are waiting for them to do so. As a matter of fact, materials that make up eighty per cent of the cost of implements are costing sixty-five per cent more than they did before the war, while the average price of implements is less than fifty per cent above pre-war levels. It is perfectly natural that farmers should feel as they do regarding implement prices. They have had to take large losses on their crops and feel that prices of what they must buy have not declined as fast. Generally speaking this is true, but what is needed right now is a mutual understanding of the other fellow's troubles. There is not an agricultural implement manufacturer in the United States that did not have terrific losses during 1921. Many are in the hands of their creditors; many more would be if their creditors should decide to take them over. We believe very few implement manufacturers are solvent to-day. One of the largest lost around eleven million dollars, another nine, two over three, and from that on down. These losses are not all inventory losses caused by charging off the difference in cost of materials and repurchase price, but from a third to a quarter of these amounts represents actual operating loss. Of course there must be a change or 1922 will see a material reduction in the number of agricultural implement manufacturers. It is not necessary to point out that reduction of competition will not be a good thing for the buyers of machinery. Reducing the number of factories will naturally reduce the food purchasing power of many workmen, which will be reflected in lower farm product prices. The existing deadlock between sellers and buyers must be broken some time. Naturally the buyers must do it." (Farm, Stock and Home, Mar. 15.)

Live-Stock Marketing Agencies

An editorial in The National Stockman and Farmer for March 18 says: "The cooperative commission companies operating on the St.Louis live-stock market charge that firms which are members of the Live-stock Exchange refuse to sell to buyers who deal with the cooperatives. That opposition to the cooperatives would develop was expected, but it was not expected that it would be so crude as this. If the charge is established at the hearing to be held next week no doubt the Secretary of Agriculture will issue an order to cease and desist, for such a practice is clearly illegal under the new law or under any circumstances. As we view it there is no good reason for such cases to arise. The cooperative live-stock commission companies have a right to a free and open market, and none but short-sighted men will attempt to deprive them of it. At the same time other marketing agencies are needed, since a few cooperative companies cannot handle all the live stock or handle it to suit everybody. There is room for marketing agencies of both classes, competing on the basis of service under rules which will insure fair trading. It will be found in time, in fact it has already been found,

that representatives of cooperative companies are not immune from the temptation to do things not in accord with correct business practice. This weakness, which is a weakness of humanity and not of cooperation, should be prevented from doing harm by some regulatory body such as now exists in every market. The law which prohibits unfair trade practices is proper but inadequate, and the same may be said of the supervision provided for by law. The additional supervision provided by competitors and exercised through an organization of marketing agencies is valuable, too valuable to be ignored or abandoned. There should be no insurmountable obstacles to united action by all marketing agencies in the interest of fair trading. There are obstacles, but they can be overcome whenever there is a real disposition on the part of all concerned to overcome them."

Wheat

"Wheat and the World Market" is the title of an editorial in The Wall Street Journal for March 15, which says: "Before another crop is harvested Europe needs large amounts of foodstuffs and must purchase some. Its food crops of last year were inadequate and buy it must, or go hungry. Even the European pasture and fodder crops were so badly damaged by drought that much live stock was disposed of; while the potato and other late vegetable crops were hurt. All these things mean an increased need for imported foods. The foreign buying has been careful and shrewd in order to avoid a violent upturn of prices here, but that is has been large is evidenced by the fact that in 1921 agricultural products formed over half our exports, and that wheat alone amounted to $551,000,000. The Argentine crop has been cut down materially. The world has never been far ahead of its food supplies; and now Russia, one of the leading exporters of prewar days, is too busy sowing Marxian seeds to have time for planting crops. It is even buying wheat in the world markets; and if it imports what Broomhall has estimated as its need, the supply would be seriously disturbed. But even excluding Russian purchases or purchases for Russian consumption, when the crop season closes on July 31, Europe will not be likely to have any reserves of grain except what may be afloat on the ocean. ... Our winter wheat crop is not yet assured; there are long and dangerous weeks ahead of it. Our reserve will be negligible, and the spring wheat crop is always more uncertain than the winter. Should the United States and Canada have good wheat crops, they will be needed; if their crops fall short, the world must suffer."

Section 3.

Department of Agriculture

"Changes That Should Not be Made" is the title of an editorial in The Indiana Farmer's Guide for March 18, which says: "The public should be informed regarding some changes it is proposed to make in several departments of the Government. ... The part of the plan that concerns farmers more particularly is the proposal to transfer some of the chief activities of the Department of Agriculture to other departments. ... What this would mean to the Department of Agriculture can well be realized by those who have kept in touch with the splendid work that has been done in that department. ... There seems to be no popular demand that things be torn to pieces in this way and we can see where great harm can result. ... "

Section 4.

MEETINGS, HEARINGS AND VISITORS.

Hon. W. P. Anderson, formerly Russian Government Agricultural Commissioner to the United States, now residing in New York City, will be in Washington on Tuesday, March 21, 1922.

Section 5.

MARKET QUOTATIONS.

Farm Products

Wheat market unsettled during the week but prices averaged higher; Chicago May wheat up 2¢; Chicago May corn down 1¢. Light receipts, strong cash market, improved milling demand, liberal export business and bullish foreign conditions were principal market factors.

Chicago hog prices declined 60 to 75¢ per 100 lbs. medium and light weights declining most. Beef steers lost 35 to 50¢; butcher cows and heifers generally 25 to 50¢; veal calves 75¢ to $1.15; feeder steers 15¢. Fat ewes up 75¢; yearlings and feeding lambs up 25¢. Fat lambs firm to 25¢ higher. Excepting mutton, eastern wholesale fresh meat prices declined.

Potato shipments averaged more than 800 cars a day. New York market steady; other markets weaker. Apple markets well supplied; prices slightly lower. Supplies of new cabbage liberal; old stock very limited; demand and movement limited; markets dull and weak. Celery steady to firm in Eastern markets ; slightly weaker in Middle West.

Hay receipts light; prices firm. Demand mostly local but in excess of receipts at Chicago, Minneapolis and Memphis. Feed markets generally weak, particularly for wheatfeeds. Quotations materially reduced; demand sluggish. Stocks cottonseed cake and meal at mills in excess of those held last year.

Butter markets firm; tone steady at close; price tendency upward; receipts moderate; good demand for practically all grades. Cheese markets firm with fairly active buying. Prices on nearly all styles at close showed tendency to go lower.

Spot cotton down 14 points; New York March futures down 17 points.

Mar. 18: Wheat market unsettled, fluctuations rapid, but prices closed fractionally higher. Chicago May wheat higher at $1.39 1/4; Chicago May corn lower at 62¢. Receipts smaller; flour trade more active; export demand slow at seaboard. Corn lower on weak turn in cash markets. Closing prices in Chicago cash market: No. 2 red winter wheat $1.39; No. 2 hard winter wheat $1.37; No. 2 mixed corn 59¢; No. 2 yellow corn 60¢; No. 3 white oats 37¢. Average farm prices: No. 2 mixed corn in Central Iowa about 46¢; No. 1 dark northern wheat in Central North Dakota $1.34 1/2; No. 2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices about steady, bulk of sales $9.90 to $10.-25. Cattle, sheep and lamb prices unchanged. Medium and good beef steers $7.15 to $8.75; butcher cows and heifers $4 to $7.75; light and medium weight veal calves $6 to $8.25; fat lambs $13.25 to $16.

Spot cotton up 7 points closing at 17.19¢ per lb. New York March futures up 4 points at 18.15¢. (Prepared by Bur. of Mkts. & Crop Est.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 66. Section 1. March 21, 1922.

Federal Aid for Seed Grain

President Harding last night signed the bill appropriating $1,500,000 for the purchase of seed grain for the aid of farmers in the crop-failure areas of the Northwest.

President Signs Deficiency Bill

President Harding yesterday signed the deficiency appropriation bill, which was passed last week by Congress. (Press, Mar. 21.)

President Harding Declines to Aid Soldier Bonus Bill

President Harding, having suggested a bonus bill carrying a sales tax revenue raiser, or postponement of the legislation in this session, yesterday declined to approve the compromise measure submitted to him by Republican House leaders. After the White House conference Speaker Gillett announced in the House that he would not entertain a motion by Chairman Fordney, of the Ways and Means Committee, to suspend the rules so as to put the bonus measure through with 40 minutes' debate and without opportunity for amendment. Republican Leader Mondell, announced later that it was the plan to go ahead with the compromise bill as recommended by the Ways and Means Committee. (Press, Mar. 21.)

Retirement Bill Passes House

The House yesterday passed the bill, already approved by the Senate, specifically writing into the retirement law the pension rights of 80,000 Government employees, which a recent ruling by the Attorney General declared were void because they had come into the service through executive order and not through civil service examination. The measure now goes to the White House for the President's signature. (Press, Mar. 21.)

Stockyard Legislation

A case involving the effort of the Federal Government to regulate stockyard traders in the Packers and Stockyards Act of 1921 was reached for oral argument in the Supreme Court March 20. It came on appeal from the District Court at Chicago in two cases, one brought by T. B. Stafford and others, and the second by James E. Burton and others, the decision of the lower court being favorable to the Government. The law is attacked by traders on the grounds that live stock reaching stockyards has completed every phase of interstate commerce upon delivery to the commission merchants from whom the traders buy, and that no act of the traders is in interstate commerce so as to give the Federal Government control over them. (Press, Mar. 21)

Section 2.

Alaska

The "paramount, overshadowing need" in Alaska is a simplified and coordinated and centralized system of administration," Governor Bone of that Territory declared in Washington March 18, before members of the Alaskan Engineering Commission. He said, further, "A consolidation of the essential bureaus under one department here at Washington, with the Administration brought closer home to Alaska, is a prerequisite to progress and prosperity in Alaska. It must be made easier for people and capital to gain a foothold in Alaska. The present system is unworkable, unbusinesslike and positively repressive." (Press, Mar. 20.)

Business Situation

The Financial Age for March 18 says in its business review of the week: "Financial sentiment is still largely influenced by the better trend to the foreign exchange situation and the immense advantage which will accrue from the advance in grain prices and the quotations for farm products. Advices reaching Wall Street banks from western centers indicate that the improvement in grain prices has been such a reassuring factor as to cause renewed confidence in a section which for a while was steeped in pessimism. The situation now is more reassuring and while business conditions are not normal, the betterment has been sufficient to put the country far ahead as compared with a year ago."

Cooperation

"Corporation or Cooperation" is the title of an editorial in Hoard's Dairyman for March 17, which says: "J. R. Howard, president of the American Farm Bureau Federation, in an address given during Farmers' Week, Columbus, Ohio, made the following statements: ' I will go the limit regarding cooperative marketing and Government supervision of all public utilities, but I draw the line on an "ism" that is destructive and not constructive, particularly if destructive of that greatest of all human agencies -- personal initiative. I deplore a growing tendency on the part, not only of some farmers, but other men in high places, to stress the functioning of Government too much and of the individual too little.' The American Elevator and Grain Trade holds these statements of Mr. Howard as contradictory, but we do not view them in this light. It is generally recognized that public utilities require Government supervision and that agriculture would be benefitted if a larger percentage of farm products were cooperatively marketed. It is evident that the American Elevator and Grain Trade thinks Government supervision of public utilities and farmers practicing cooperative marketing will do away with individual initiative. We agree that we can have too much Government in business but it seems to us, in view of the past experiences, that a certain amount of Government supervision over public utilities is essential if the public is to receive a square deal. But there is also a limit to Government supervision."

Cooperative Marketing Bill

"The recent enactment of the law permitting cooperative marketing has brought the matter to the forefront all over the country. There is great encouragement in these efforts of the farmers to help themselves through united action, and that they will prove of great value, if used properly, there can be no doubt." (Indiana Farmers Guide, Mar. 15.)

Flour Rate Cut

A straight drop of twenty cents a hundred pounds on flour from Portland, Ore., to Atlantic Coast ports was announced at Portland March 19. The new rate is 35 cents a hundred. (Press, Mar.20.)

Grain

"The week's declines in grain prices need not be taken too seriously and are not. After so spectacular an advance, a reaction was inevitable, and the more hopeful news from the Southwestern wheat fields made a visible reason therefor. The increasing confidence of the farmer and stock raiser in better times and more stable prices ahead is justified by agricultural history and a study of probabilities. Russia is probably not likely ever again to be a heavy exporter of foodstuffs. In the past such exports, mainly grain, were forced by the agricultural and governmental organization. The Government needed exports to pay the interest on its foreign loans, the large land owners used them to buy the luxuries of Western Europe, and the local or regional surpluses of grain served the purposes of both, though the Nation itself could have consumed all had the people been fed decently and regularly. If the revolution shall finally bring anything to the Russian people in the way of better living, grain export should cease in large measure and its dense population will be fed. Argentina can not become an exporter on a much larger scale than now until the recent system of land ownership shall have changed and the owners of the soil become its cultivators and not lessees of small tracts out of immense grazing areas on terms long enough to break the land, get it into alfalfa and then have it returned to pasture as before. ... Europe's congested population means intensive cultivation, which is expensive cultivation, with rarely excess production. Europe may never again quite feed itself. It must buy abroad. The problem of American agriculture then is how to continue the extensive cultivation of the past with large production per man and yet maintain the fertility of the soil. Herein lies the future profit of our farming -- low production cost on continuously fertile land. It is all the farmer can be expected to do when this has been done. The marketing of the products must be left to experts in marketing. ... " (Price Current-Grain Reporter, Mar. 15.)

Prices

1. The Economist for March 18 says in its review of the business situation: "Western agricultural products are no longer spectacular in their performances but grain prices have not had an extraordinary decline considering the big recent rise. Cotton presents a tamé appearance with a range for middling uplands in New York of 18.20 to 18.65, comparing with a high last week of 18.70. Commentators presumably not biased by personal interest see cotton in an unusually strong position. The consumption from August 1, 1921, to February 28, 1922, was 3,484,525 bales, comparing with 2,732,434 the corresponding period of the preceding crop year. They recall the moderate crop of 8,340,000 bales last year and note that substantial use has been made of the carry-over from previous years. They therefore declare that by the time we are getting the cotton of 1922 there will not be much on hand. It might be added to these statements that, if unfortunately the crop of this year should be small, one of the great staples of the United States will make a strong contrast with its ordinary abundance. From Government sources comes a statement that $700,000,000 worth of foreign orders are in prospect for 1922, and that Germany, England and France are buying more heavily than at any time for months."

Prices

2. "Farm Revolt Doomed" is the title of an editorial in The Philadelphia Public Ledger March 18 which says: "Here are the early signs of the beginning of the end of what has been called the 'agrarian revolt' and the 'farm unrest.' A 'price war' among tractor companies has resulted in Ford cutting his tractor price from $625 to $395. The International Harvester Company has slashed the tractor price from $900 to $670, and is 'throwing in' to each purchaser a two-bottom plow and a gang harrow. The Samson tractor dropped from $665 to $445, and the buyer gets a 25 per cent reduction on tractor tools. The Case Plow Works follows suit by cutting the price of tractor and plow from $2,023 to $995. The Minnesota State Prison, maker of farm machinery, has cut $400,000 from the price of machinery, to be sold this season. ... Farm prices are advancing, and general prices on what the farmer buys are still falling. Everything he has to sell is coming up and most that he must buy is coming down. The leveling up and down is under way."

Radiophone Reports

"One week's experience of half-hourly market quotations broadcasted by the Chicago Board of Trade has been most satisfactory to the trade and to the public. Even without relay stations, the reports sent from Chicago cover a radius of practically the entire surplus grain area. The value of the service is measured only by the number of receiving sets installed to take the quotations out of the air. ... The demand for receiving sets is enormous -- from the grain trade it will daily become more urgent. In some ways the new service has already wrought some changes of method. The country demand for private quotations threatens to disappear wholly and may do so if the service continues. It will supersede the Government and State marketing bureaus' ornamental service, because these quotations are the real thing coming at the right time. If the farmer takes enough interest in this thing he is in the way of becoming the best informed farmer in the world as to the momentary state of the market. It may even go so far as to enlighten him of the fact that there is a good deal of humbug in his world that needs exposing by himself in his own interest." (Price Current-Grain Reporter, Mar. 15.)

War Finance Corporation

Northwest Farmstead for March 15 says in an editorial: "The value of the War Finance Corporation to farmers has shown itself, as Northwest Farmstead predicted. By increasing the amount of money in circulation in the farming country, it has helped to raise prices. And we have had a nice little rise in prices in farm products, largely as a result of this increased amount of money in circulation in the farming country. But under the terms of the law, the loaning activities of the War Finance Corporation will come to an end July 1, 1922. Then, if the Federal Reserve banks continue their 'deflation' policy, there will be no agency bringing money into circulation. The difference between the War Finance Corporation and the Federal Reserve banks is not very great in this particular. Both put money into circulation when they are making loans. And both of them tend to 'deflation' when they quit making loans and demand payment. As the Federal Reserve banks are still 'deflating,' the only salvation for the farming country is the extension of the activities of the War Finance Corporation. A bill has been introduced in Congress to extend the War Finance Corporation another year."

Section 3.

Department of Agriculture

"It is the reasonable indictment of the Department of Agriculture to-day that it has substantially adopted as its policy the insidious fallacy of the previous administration, that the farmer is now more concerned with selling his products than producing them. The department is crowded with amateurs trying to spoil good farmers -- or neglecting to make good farmers out of poor ones -- by trying to make merchants of them. The two forms of production are widely and essentially different and can not be united in one person. The cost of marketing must be paid -- there is no escape from it. The 'middleman,' as the Ady & Crowe Mercantile Co. of Denver has cleverly put it in circular, is not a man but 'simply a series of costs that must be met before the goods can reach the user.' To reduce these costs to the 'irreducible minimum' is the work of experts, not of farmers. ... Pools discourage competition. They reduce the number of sellers and in consequence the number of buyers. Yet this is what the Department of Agriculture is trying this day to do and yet calls it 'progress.' " (Price Current-Grain Reporter, Mar. 15.)

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 20: Wheat trade nervous. Receipts small. Cash market firm except for hard wheat. Chicago May wheat lower at $1.38 1/2; Chicago May corn unchanged at 62¢. Visible supply corn 46,609,000 bushels, an increase of 1,531,000 bushels for week. Visible supply wheat 38,179,000 bushels, a decrease of 673,000 bushels for week. Average farm prices: No. 2 mixed corn in Central Iowa about 46¢; No. 1 dark northern wheat in Central North Dakota $1.36 3/8; No. 2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices about steady, bulk of sales $9.90 to $10.50. Beef steers, fat cows and heifers, stockers and feeders 15 to 25¢ higher. Medium and good beef steers $7.40 to $8.90; butcher cows and heifers $4.15 to $8. Fat lambs steady at $11.75 to $13.75.

Potato markets slow, dull and unsettled. New York sacked Round Whites steady f.o.b. at $1.71 per 100 lbs, Maine bulk Green Mountains firm at $1.21. Florida wakefield cabbage 1 1/2 bu. hamper $1.25 to $1.50 in New York; $1.50 to $1.65 in Baltimore. Florida strawberries 55 to 60¢ per quart in Pittsburgh.

Hay prices higher in several central western markets. General demand unimproved. Eastern markets dull; Southern markets inactive. Feed markets inactive. Country demand in most sections poor.

Butter markets firm under excellent demand. Cheese markets steady but trading is not on confident basis except for held goods which are scarce.

Spot cotton down about 7 points closing around 17.12¢ per lb. March futures at New York down 8 points at 18.07¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 20: Average closing price 20 industrials 88.28 compared with 76.03 corresponding day 1921; average closing price 20 railroad stocks 79.92 compared with 70.07. (Wall St. Jour., Mar. 21.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 67. Section 1. March 22, 1922.

Secretary Wallace Talks on Agricultural Legislation

The Philadelphia Public Ledger to-day says: "Criticism of legislation intended to help farmers is not fair, Henry C. Wallace, Secretary of Agriculture, said last night before the Rotary Club dinner meeting in Philadelphia. Such laws are not strictly class legislation, inasmuch as the prosperity of the country depends on the financial success of the farmers, he said.

" 'Most of the farmers' troubles,' Mr. Wallace explained, 'resulted from Government regulation as a war emergency. I do not mean to criticize that policy, but I do say Federal aid is due agriculture. Part of the difficulty originated in the fact that national control of agriculture was removed at the same time the Government granted advances to the railroads, increasing costs of farm supplies and decreasing net returns for agricultural produce.' ... "

Packers and Stockyards Act Assailed

Oral argument was closed in the Supreme Court March 21 in cases brought by traders in the Chicago stockyards to test the constitutionality of the Packers and Stockyards Act of 1921. Levy Mayer appeared as counsel for the opponents of the law, and Solicitor General Beck for the Government. "Congress, in an effort to control the packing industry, has gone wild," Mr. Mayer said. He added that the records show few cattle purchased by traders reenter interstate commerce. "Most of the meat, whether on the hoof or otherwise, leaves Chicago in interstate commerce," Chief Justice Taft objected. Mr. Mayer cited numerous decisions to sustain his contention that the interstate character of the incoming movement of the live stock ends at the stockyards before the traders make their purchases, and that whatever interstate feature may attend the subsequent movement of the live stock or its products does not begin until after the trader had sold the cattle. Solicitor General Beck insisted that the stockyards are the terminals of interstate railroads and had been held such by the Supreme Court. Persons engaged regularly in business while passing through these terminals were engaged in interstate commerce, he contended, and their business could be regulated by Congress. (Press, Mar. 22.)

British Farmers Plan Parliamentary Bloc

In his cable dispatch from London to The Philadelphia Public Ledger to-day, Sidney Thatcher says: "The entry of an agrarian bloc, with the same objects in view as those which have proven so vexatious to the Harding administration, into English politics, is contemplated at the next election. The movement is being furthered by farmers and land owners, who are finding the present taxation and foreign competition hard to combat and have discovered they are getting but little sympathy from Parliament, so many of whose members come from the urban districts. ... "

Section 2.

Agricultural Financing

1. The War Finance Corporation announces that from March 16, to March 18, 1922, inclusive, it approved 80 advances, aggregating $1,899,000, for agricultural and live-stock purposes in 21 States. During the week ending March 18, 1922, the corporation approved a total of 176 advances, aggregating $4,211,000, for agricultural and live-stock purposes. (W.F.C. press statement, Mar. 21.)

2. "Many country banks that have been charging farmers high rates are 'passing the buck' to their city correspondents and to the Federal Reserve banks. They are doing an unfair thing. The average Reserve city bank did not charge exorbitant rates except where necessary to curb overtrading. A banker in Kansas City told me that some of the country banks were helping farmers speculate in grain and produce, and to do so were overtrading to the extent that in some cases they were borrowing from their city correspondents practically to the entire amounts of their deposits. That is dangerous and wrong. Speculation by farmers is just as bad as speculation on Wall Street, and should not be encouraged. Overtrading by banks is worse. No bank, except in the case of a run or some unusual emergency, should borrow up to an amount equal to even half of its deposits. Whatever rates the Federal Reserve banks may have established were alike to all in the same district. No one was favored. I challenge anyone to cite one specific instance where a Federal Reserve bank has charged rates not justified by the market and the risks. ... I do claim and verification very easily can be had, that many country banks in the South, the central West and the Northwest (I omit the far West because I have not had time to verify such reports concerning it), charged their borrowers considerably higher rates than they in turn paid to their city correspondents or to the Federal Reserve banks; in other words that country bankers who continually are denouncing the East as a congregation of bank pirates, were the chief offenders against the farmers whom they profess to love. ... " (E. C. McDougal in Journal of the American Bankers Association, March.)

Agricultural Outlook

In an editorial entitled "The Farmers' Biggest problem," Commercial West for March 18 says: "In order that the farmer shall be successful and prosperous, it is essential that he have a profitable market for his surplus products. In fact, all that agriculture produces in the United States, not consumed at home, must go to waste or be marketed abroad. Most important among what the farmer has to export are his cereal crops. Year after year the foreign market, in so far as American breadstuffs are concerned, has been growing narrower. In the past the great competing wheat-growing countries were Argentina, Australia and Russia. In these countries growing of cereals was carried on in the most crude manner. A change has come, in Australia and in Argentina the most improved methods are fast being adopted, and where formerly ox teams and horses were employed in plowing and cultivating the land, modern tractors are now used. Constantly are the wheat-growing areas of these countries being increased. While Russia under Soviet rule has been agriculturally demoralized, the possibilities are that within a few years that country will again become a great producer, and when this time comes there will be greater intelligence and greater

effort made to grow more wheat. In India, in Southern Africa and other regions where wheat-growing in the past has been an insignificant thing, wonderful progress has been made. This condition is what the American farmer should now consider and he should endeavor to discover a means of preparing himself to meet the competition that is certain to come. It is well known that in European countries where wheat is grown, the yield per acre is far greater than the average yield throughout the United States. The people of these countries have learned a lesson in conservation and fertilization of the soil, and this the American farmer must also learn, as well as other farm economies."

Agricultural Situation

Agriculture can face the immediate future with every confidence that its chief problems are assured of solution and its future is certain, Julius H. Barnes, former Director of the United States Wheat Corporation, said in a speech in Chicago, March 20. Mr. Barnes said: "The American farmer can be told to-day that the day of opportunity for agriculture has arrived. It can be told that thrift and energy in agricultural pursuits may now count with confidence on the reward of those fundamental qualities. Industry may be told that on the basis of revived agriculture now assured, it may begin to frame its productive program afresh. At home and abroad, the skies are definitely clearing, and the record of progress in the healthy restoration of our industries will be, I believe, day by day, increasingly clear." (Press, Mar. 21.)

Bonus and Farmer

"The Bonus and the Farmer" is the title of an editorial in Wallaces' Farmer for March 17, which says: "The bonus bill which is now before Congress would, if passed, result in the ex-service men borrowing at least $200,000,000 from the banks on very favorable terms during late 1922 and early 1923. Farm boys would borrow at least $60,000,000 of this money from the banks. Practically all of this money, as soon as borrowed would be spent for the necessities of life or for paying off indebtedness. While Wall Street and the big eastern financial interests generally profess to think that the bonus will act to handicap business revival, we believe, on the contrary, that the bonus in its present form, will speed business revival, and that it will give a sudden increase in buying power to a large section of our population, which will prove very effective in starting business everywhere on the upgrade. It is impossible to increase suddenly the buying power of the young men of the United States by more than $200,000,000 without causing a strong advance in prices of all kinds."

Cooperative Marketing

"It becomes more and more evident that 'cooperative marketing' to be entirely successful is monopoly marketing. The rivalry of the cooperative commission houses of St. Louis shows the tendency. ... In the local grain field it is the same. Even John Shorthill at La Salle said it begins to look as though the farmers' elevators would have to 'get together' locally in the counties to prevent their own competition from killing their game. And yet the dreamers talk of handling amicably the grain of ten or twelve or forty-eight States in a pool managed by amateurs!" (The Economist, Mar. 18.)

Crop Insurance

Commercial apple orchards in the Winchester, Va., district are being insured against frost, it was announced March 20 by an insurance agency, which said it was the first time such policies had been authorized. Frederick and Clarke Counties were said to have been selected by the company as experimental sections for the new risks, which cover frost damage between March 15 and May 15, and assure the grower of at least one barrel of apples from each tree of bearing age. (Press, Mar. 21.)

Farm Loan Banks

"The chief obstacle to providing more farm capital by the proposed sale of Farm Loan Bank chattel mortgage, debentures is the farm organizations themselves. The banks with less than 28 millions of capital stock have obtained from the Treasury and the public 532 millions for the farmers, by selling them the present bonds secured by first mortgages on farms. The president and his financial advisers in the Federal land banks would provide several hundred millions more, secured by farmers' notes, chattel mortgages and indorsements of farmers' associations. But the farm loan associations, composed of the borrowers and those indorsing the borrowers' paper, demand control of these banks. They ask to elect six of the nine directors of each bank. No sane creditor will aceept this unreasonable condition." (Commercial West, Mar. 18.)

Radio News for Farmers

Establishment of a daily radio news service to keep farmers in touch with the latest agricultural and marketing news, to be sent broadcast from Chicago, was announced March 20 by the American Farm Bureau Federation. The service will contain news of a general agricultural interest, market figures and reports of the activities of the American Farm Bureau, the U. S. Grain Growers, the Illinois Agricultural Association and the National Live Stock Association. (Press, Mar. 21.)

Wheat Pool Ready

With sixty million bushels of wheat already under contract on a 100 per cent pooling basis, the American Wheat Growers' Association tentatively organized at Kansas City earlier in the month expects to begin operations by May 1, according to W. G. Lansdon, Salina, Kan., one of a committee of three meeting at Chicago, March 20, to submit organization plans to Aaron Sapiro, of San Francisco, general counsel. (Press, Mar. 21.)

Section 3.

Department of Agriculture

In his daily Chicago letter to the Philadelphia Public Ledger, C. B. Evans says on the subject of radio telephony: "We have been told by the Department of Agriculture of great developments in communication of the news from that department to farmers. That service will be much extended, but more likely private concerns will become so numerous and so efficient that officialdom will not need to do much. Already the distribution of news is on a rather liberal scale."

Section 4.

MEETINGS, HEARINGS AND VISITORS.

Dr. H. C. Taylor, Chief of the Bureau of Markets and Crop Estimates, will talk on "The Literature of Agriculture" at a meeting of the Library staff of the department, Thursday, March 23, at 4.30, in the reading room of the Main Library.

Section 5.

MARKET QUOTATIONS.

Farm Products

Mar. 21: Grain market lacked buying support and prices were heavy. Chicago May wheat lower at $1.34 3/4; Chicago May corn lower at 60 1/8¢. World available surplus increased 3,293,000 bushels during week, making total 179,557,000 bushels, or 43,000,000 bushels more than on same date last year. Closing prices in Chicago cash market: No. 2 red winter wheat $1.35; No. 2 hard winter wheat $1.33; No. 2 mixed corn 57¢; No. 2 yellow corn 58¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa about 44¢; No. 1 dark northern wheat in Central North Dakota $1.36.

Chicago hog prices down 10 to 15¢, bulk of sales $9.80 to $10.30. Beef steers strong to 15¢ higher, medium and good grades $7.50 to $9; butcher cows and heifers strong to 15¢ higher at $4.25 to $8.25. Fat sheep and lambs up 25¢, fat lambs $11.75 to $13.75.

Potato markets steady, slow and dull. New York sacked Round Whites steady f.o.b. at $1.71 per 100 lbs. Florida Irish Cobblers $10 per bbl. in New York; $11 in Pittsburgh. New Jersey and Maryland sweet potatoes $1.65 to $1.75 in New York. Florida cabbage in 1 1/2 bu. hampers $1.25 to $1.65 in New York, Philadelphia and Baltimore.

Spot cotton up 2 points closing at 17.14¢ per lb. New York March futures up 2 points at 18.09¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 21: Average closing price 20 industrials 88.11 compared with 76.60 corresponding day 1921; average closing price 20 railroad stocks 80.07 compared with 70.31. (Wall St. Jour., Mar. 22.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 68. Section 1. March 23, 1922.

Soldier Bonus Legislation

The House to-day will vote upon the soldier bonus bill. The Committee on Rules approved a resolution making to-day a special suspension day, so as to consider the bill under a suspension of rules. (Press, Mar. 23.)

Sugar Rates

Sugar rates in the Fordney Tariff Bill on the basis of $1.60 a hundred pounds for Cuban raw were approved March 21 by the Republican members of the Senate Finance Committee. (Press, Mar. 22.)

Rate Decision in April

The Interstate Commerce Commission, which recently concluded an extensive hearing on the question of possible reductions in freight and passenger rates, probably will announce its decision early in April. (Press, Mar. 22.)

Farm Products Lead in Improved Trade Conditions

Business is gradually approaching normal, according to the latest figures issued by the Department of Commerce. The outstanding change in recent weeks, the department's report said, has been the substantial increase in prices of agricultural products, with the exception of tobacco, in February over January. Compared with December last, improvement has been still more marked. In the principal food commodities the following notable increases have occurred: Hogs, 45 per cent in two months; sheep and lambs, from 40 to 70 per cent; wheat and corn, 20 per cent; wool, 28 per cent, with cattle and minor cereals showing substantial gains. Cotton, while slightly higher than in January, was still below the price in the last quarter of 1921. (Press, Mar. 23.)

Tariff Legislation

With all the important schedules except those dealing with wool and dyes practically completed, Republicans of the Senate Finance Committee are driving ahead in an effort to have the permanent tariff bill ready for the Senate by April 1. Senators hope to complete the wool and dye schedules by the last of the week. General opinion appears to be that it will take at least two months to get the tariff measure through after it is called up. The leather schedule, with its provision for a 15 per cent ad valorem duty on hides, is expected to cause a long contest. Other subjects which will be in controversy include sugar, lumber, dyes, wool, long staple cotton and iron and steel. Fights over many lesser matters also are forecast. (Press, Mar.23)

Section 2.

Agricultural Credit

"From many points of view the question of agricultural credit really reduces itself to the share or percentage of available loanable funds obtainable or obtained by farmers. Independent investigations made during the past year by the Department of Agriculture and the Federal Reserve Board, with a view to determining just what percentage of the total loans of the banks of the United States was represented by advances to agriculture, gave results substantially similar, although the methods of arriving at estimates were different. ... The Federal Reserve Board attempted to estimate loans on the basis of the location of reporting member banks, as the nature of the loans made by the banks was not ascertainable from their reports. Banks were classified as agricultural, semi-agricultural, and non-agricultural, according to whether they were located in counties whose products in terms of value were at least 80 per cent agricultural, from 50 to 80 per cent agricultural, or less than 50 per cent. On this basis loans in agricultural counties as of April 28, 1921, appeared to constitute 17 per cent of the total member bank loans, while they amounted to 8 per cent in semi-agricultural counties. Given the fact that during the summer and early fall harvesting and crop-moving demands had to be met, while liquidation of old loans was on a limited scale, it is highly likely that the proportion of agricultural loans to total loans rose rather than fell after the date of inquiry. Certainly such evidence as is available points to the continued existence of a considerable mass of unliquidated agricultural paper in many sections of the country, and the contraction that has occurred since the date of this investigation appears to have been very largely confined to the large cities and industrial sections of the country. It would seem than that in the agricultural regions themselves, farmers during the past year or two have been able to count upon an accommodation possibly equal to 15 to 20 per cent of all advances on current account, with an additional 5 per cent for mortgage loans. How much larger a proportion of our loanable funds could or should be assigned to farmers through the new credit machinery is worthy of discussion." (Federal Reserve Bulletin, March)

Canadian Agricultural Bloc

"The Canadian Agricultural Bloc" is the title of an article, by John R. McMahon, in The Country Gentleman for March 25, which presents a detailed account of the organization and program of the agrarian group in the Dominion Parliament. The author says: "In the costly and imposing new parliament building at Ottawa, ... are sitting sixty-five farmers ... honorable members of the House. ... It is not quite correct to compare this group of Dominion legislators with our American agricultural bloc in the Senate. The American bloc is self-chosen, cuts across party lines, seems to be a temporary phenomenon, and includes few, if any, of the tribe of dirt farmers. The Canadians are mostly real farmers, elected as such and representing a well-organized farmers' movement which has deep economic roots. It is not a makeshift bloc but the Progressive Party that sits compact at the Speaker's left and as the biggest minority in the House constitutes the official opposition to the Liberal government of Premier W. L. Mackenzie King. What do we care about the doings of those sixty-five men and the rest of them up North? She can give us annually a billion dollars or more of trade."

Cooperative Marketing

"In surveying the experience of past months the grain-marketing department of the Ohio Farm Bureau Federation gives 10 reasons that have been largely responsible for difficulties in the cooperative marketing of grain. These facts should be carved on the front door of every cooperative enterprise and studied every day by the management because they strike at the base of the whole business. Our Ohio cooperators state frankly that troubles have come as a result of depending on enthusiasm instead of rigid adherence to business principles; too many companies did not do a sufficient volume of business to warrant their existence; too many were insufficiently financed; the importance of accumulating a cash reserve was overlooked; some had too small a membership to be considered cooperative; some handicapped themselves by paying too much for their plants; unreasonable operating expenses due to big overhead prevented savings in some instances; in some cases the management failed to carry out the orders of the directors; in others the directors failed to direct; and there has been too much of a tendency to ignore fundamental business principles in favor of mere cooperation. This is a fine array of reasons. Any of them might wreck a well-established private concern, and it will surely be out of the question to build a new concern on what would topple over an established one. There is no reason for cooperative concerns unless they can bring improvement and render better service." (Ohio Farmer, Mar. 18.)

Cooperative Marketing in Oklahoma

"Here in Oklahoma, one encounters a new farmers' movement that will be worth watching. It is the farmer turned business man and projecting himself as the salesman as well as the producer of his crop. If the essay succeeds, it will have a wide and revolutionary effect, not only on the method of distribution of the cotton crop, but on tobacco, wheat, cattle and other agricultural resources. These cotton growers here have begun a system of cooperative marketing analogous to the successful system of the California Fruit Growers." (E.G. Lowry, in Phila. Ledger, Mar. 22.)

Cotton

"A Significant Ginning Return" is the title of an editorial in The Wall Street Journal for March 22, which says, in a review of the final ginning return of the Bureau of the Census: "What the next crop will be belongs to the realms of prophecy. A crop of 15,000,000 bales would be necessary to supply a demand no greater than that of this season, and leave a reasonable carryover. Not in the past seven years has such a crop been raised. The crop of 1920 was the largest in six seasons, and it amounted to only 13,439,603 bales, on 35,878,000 acres. Since that crop was raised bankers and merchants adopted a policy of refusing credit to the man who did not decrease his acreage, and the planted area was reduced to 31,427,000 acres. If the average yield per acre of the five years ending with 1920 could be obtained, 40,000,000 acres would be necessary to produce 15,000,000 bales of lint. If no more than the average of last year can be secured, a planted area of 48,000,000 acres would be required. The nearest approach the South ever made to the lesser of these two figures was in 1913, when it picked 37,000,000 acres. These are the facts of the situation, and they tell their own story. Unless the threatened weevil invasion utterly fails and there is a growing season more favorable than is seen once in a lifetime, the story these facts tell is that the world will call for two bales of American cotton where but one is produced."

Implement Prices

In an editorial on farm implement prices, The Michigan Farmer for March 18 says: "The reaction has come in the form of increased prices for farm products and a downward trend of commodity prices in the leveling up process necessary to the regaining of an economic balance. The earlier stages of this leveling process has afforded less immediate relief to business, either agricultural or otherwise, than some expected, for the reason that a large percentage of farmers were obliged to sell their products before the favorable reaction in prices occurred, while manufacturers and distributors suffered a measure of the same heavy inventory and operating loss to which the farmers had been previously subjected. But the progress of the leveling up process is an indication that the worst is over and that better times are ahead for all concerned. The main subject for concern at present is the future trend of this process, i.e., whether it will be mainly in a further advance in prices for farm products or in a further shrinkage in commodity values and the costs which enter into their production. Farm implement manufacturers maintain that recent cuts in prices have placed them on a lower price range as compared with the cost of materials than before the war. In proof of the claim that present prices are as low as they can possibly be made under present conditions they point to the annual statements of well-known implement manufacturers, which show losses last year ranging from $3,000,000 to $9,000,000, of which in the extreme cases something like two-thirds was inventory loss and one-third operating loss. On the other hand, farmers point to exceptional cases in which prices for manufactured commodities containing similar materials have been reduced to or below prewar prices. In most of these cases, however, the commodities have fairly constant, rather than seasonal, demand, which favors a quick turnover, while agricultural implements must be manufactured far ahead of a comparatively short selling season, and the amount manufactured must be gauged in accordance with the probable demand." (Michigan Farmer, Mar. 18.)

St. Lawrence Waterway

"Urge the Waterway" is the title of an editorial in Northwest Farmstead for March 15, which says: "For one cent, a railroad will haul a bushel of wheat 33 miles. For one cent, a steamboat will carry a bushel of wheat 300 miles. It costs 47 cents to carry a bushel of wheat from the Red River Valley to Liverpool. The rail haul costs 37 1/2 cents, the water haul the other 10 cents. This is in winter when the wheat must go all rail to New York City. In summer, or from the first of April until the 15th of December, when the Great Lakes are open from Duluth to Buffalo, the cost is nine cents less. Instead of costing 37 1/2 cents from Red River Valley points to New York, it costs only 24.6 cents. Then there are some charges for transfer at Duluth, Buffalo and New York water fronts. But 10 cents is saved by shipping from Duluth to Buffalo by water. If we had the St. Lawrence River opened so that a ship could go from Duluth to Liverpool, the saving would be about 11 cents more. Inasmuch as the price in the United States on all our wheat, whether exported or not, is the price at Liverpool, less freight, it will be seen that the farmers will get 11 cents more a bushel for their billion bushel grain crop annually. Ten cents a bushel on a billion bushels will be $100,000,000, which would pay for the canal in less than three years' time. This does not count the saving to consumers in the East."

Section 3.

Department of Agriculture

"Our Federal forest policy has been developed in the United States Department of Agriculture, and it seems logical to keep it there. Management of the public wooded areas has ceased to be merely the business of disposing of lands bearing priceless stores of timber. It now has to do with conserving these necessary stores and increasing them if possible for the use of future generations. Such work falls naturally in the realm of agriculture rather than in that of commercializing natural resources. If this view is accepted it should decide where forest control belongs. It will be recalled that some years ago there was another row to determine where control of certain natural resources should rest. At that time the Department of the Interior, as now, sought to obtain control of Alaskan development, especially of forests and coal. That purpose was defeated, just as it should be defeated now. Let forest control remain with the Department of Agriculture, where it will be utilized to conserve and promote rather than merely to commercialize. There is no general demand for a change and the public must be shown that a change is needed before such a step is taken." (Ohio Farmer, Mar. 18.)

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 22: Good reaction in wheat prices followed early decline. Foreign demand improved. Cash market dull but firm. Corn featureless and followed wheat. Chicago May wheat higher at $1.36½; Chicago May corn higher at 64 1/4¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.36; No. 2 hard winter wheat $1.35; No. 2 mixed corn 62¢; No. 3 white oats 37¢. Average farm prices: No. 2 mixed corn in Central Iowa 45¢; No. 1 dark northern wheat in Central North Dakota $1.32 3/4; No. 2 hard winter wheat in Central Kansas $1.25.

Chicago hog prices down 5 to 10¢, bulk of sales $9.75 to $10.25. Beef steers, stockers and feeders generally down 15 to 25¢; medium and good beef steers $7.25 to $8.90; butcher cows and heifers $4.25 to $8.25. Fat lambs $13.25 to $16.

Potato markets nearly steady. New York sacked Round Whites up 7¢ f.o.b. at $1.51 to $1.78 per 100 lbs. Maine Green Mountains, in bulk, weak f.o.b. at $1.11 to $1.21 per 100 lbs. Florida Wakefield cabbage weak in eastern markets at $1 to $1.50 per 1 1/2 bushel hamper. Florida tomatoes in six-basket carriers weak in New York at $3 to $3.25.

Hay receipts continue light; markets generally firm. Bad roads curtailing country loading. Prices for good grades steady. Feed offerings liberal. Production of Southwestern mills in excess of demand.

Butter markets continue firm under excellent demand. Cheese markets steady.

Spot cotton down 9 points closing at 17.05¢ per lb. New York March futures down 14 points closing at 17.95¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 22: Average closing price 20 industrials 87.26 compared with 77.78 corresponding day 1921; average closing price 20 railroad stocks 79.61 compared with 71.04. (Wall St. Jour., Mar. 23.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. IV, no. 69. Section 1. March 24, 1922.

Soldier Bonus Legislation

The $4,000,000,000 soldier bonus bill was passed last night by the House by an overwhelming majority. It now goes to the Senate. As passed by the House, the bonus bill would provide for immediate cash payments to veterans whose adjusted service pay would not exceed $50, and would give to other veterans the options of four specified plans. (Press, Mar. 24.)

Grain Convention for Gustafson

The Associated Press to-day reports from Chicago: "Protracted wrangling between factions of the United States Grain Growers, Inc., at the first annual convention was ended March 23 by a victory for President C. H. Gustafson over an anti-administration element. Efforts of a compromise committee were unavailing and finally, on a test vote in the convention, the administration received 22,844 votes and the anti-administration faction 18,941 votes. Although admitting their loss, the opposition element gave indications that the administration victory might be an empty one inasmuch as it would, they said, tend to alienate the support of large groups of grain growers in Illinois, North Dakota, Oklahoma and Texas, who had represented the opposition. President Gustafson and his followers, however, held that with a new board of directors elected in sympathy with the administration the organization would operate successfully its cooperative marketing of grain."

British Ambassador Urges International Body to Study Government Defects

In an address at the University of California yesterday, Sir Auckland Geddes, British Ambassador, spoke on the need of men of knowledge in the conduct of democratic governments. He said in part: "The vast majority of men in public life, in mental capacity and knowledge, are far behind the best minds, and the best thought as represented by the highly specialized university professor. That knowledge which is power is not present in our governments to-day." He urged the appointment of an international body to study the defects in the democratic governments of to-day and to make public its findings. (Press, Mar. 24.)

Muscle Shoals Plan Attacked

J. E. Levering, a consulting engineer of Los Angeles, Cal., in a statement filed with the House Military Affairs Committee, March 23, attacked both Henry Ford's offer for purchase and lease of the Muscle Shoals plant and that of the Alabama Power Company. (Press, Mar. 24.)

Section 2.

Cooperative Marketing Bill

"Thoughtful business men are coming to see that an orderly development of the cooperative movement will have a good effect upon the whole country and will ultimately benefit the city dweller as much as it benefits the producer. Passage of the Capper-Volstead bill indicates that Congress at least views the cooperative idea in a favorable light. It indicates also that in the agricultural bloc the farmers of the country have at last found a medium through which they can secure some sort of effective representation. The Montana Farmer is not an advocate of class legislation, but is a strong advocate of fair representation. The farming industry has long been the plaything of the politicians. Now that it has found a way to fight for its rights, the halls of Congress resound with the wails of those pampered interests that cannot stand their own medicine." (Montana Farmer, Mar. 15.)

Cotton Marketing in Alabama

Plans for the organization of a cotton pool in Alabama provide that the pool will consist of not less than 100,000 bales, and is to be known as the Alabama Farm Bureau Cotton Association. (Press, Mar. 23.)

Executive Reforms

Writing under the title "Executive Reforms at Washington," in The World's Work for April, Donald Wilhelm says: "Mr. Harding promised the tax payers of the country a thorough-going reform in Government. One phase of this reform has been achieved - budgetary reform. Another phase - reclassification of all the Federal employees in Washington - is now assured. But the full-fledged consequence of these will not be apparent until the third - reorganization of the Office of the President and the 220 executive units under it - is achieved and the three phases working together have, like the seasons, passed one of themselves to achieve the fourth. ... These three 'Harding reforms' - the fiscal reform, the reclassification of personnel, and the reorganization of the executive units - promise to be not only a means of relieving Congress, but, in large measure, imply the reconstruction of both the executive and the legislative branches of the Government. Certainly they go a long way toward restoring the intended adjustment of the two branches each to the other."

Farm Loan Act

The American Elevator and Grain Trade for March 15 contains an article entitled "Government for Farmers Only," by Earle W. Gage, which says: "Under the socialistic recommendations of the politically-appointed Farm Loan Board, Congress would amend the Farm Loan Act, making provision for the removal of this 10 per cent liability, permit the various land banks to take over that liability, and thus bind the United States Government to repay the outstanding bonds on farms upon which loans have been made through the system. This would give the borrowing farmers a nice, open loophole through which to escape the repayment of their loans. Let us grant that no considerable number of the farmers would wish to so shirk their financial obligations; with the enormous volume of loans outstanding that are now on the books, added to the great number of loans being granted and paid over every day, it is easy to appreciate that it would not be necessary for any great number of farmers to so become poor pay in order to convert our Treasury Department into a bank-

ruptcy clearing house expending hundreds of millions in making good the farmer's poor debts. Thus, adopting a policy far more advanced than anything radical Russia has as yet dreamed of, the United State would become unique because of the fact that it would be the only land in the world where the Government provided a banking system for a special class, and the Government, not that class, would stand to lose all and any losses."

Farm Products Trading Rules Act

"More Power to Secretary Wallace" is the title of an editorial on The Farm Products Trading Rules Act, in The American Elevator and Grain Trade for March 15, which says: "At its best the Act is an unwarranted infringement upon private rights; and at its worst it provides the Secretary with an instrument which could be used to destroy the last vestige of opposition to farmers' cooperative marketing agencies, not through power of suppression perhaps, but by way of annoyance which would drive out of business all independent operators. We believe that even the present Congress would hesitate to pass such an injurious measure."

Live-Stock Prices

The Philadelphia Ledger to-day reports: "Carnation Matador Pontiac, prize-winning heifer of the Carnation Farms, Seattle, and grand champion of the Brentwood National Exhibition, sold yesterday for $4,200 at the closing of the Commercial Museum. Other heifers brought from $1,000 to $4,300. The famous bull, Matador Segis Walker, was sold for $5,000."

Rice Tariff

The rice producers of Texas, Louisiana and Arkansas are urging that the duty on rice be not reduced to one cent per pound, as proposed by the Senate Finance Committee, and a protest against that action was presented March 22 by Senator Ransdell. (Press, Mar. 23)

War Finance Corporation Financing

1. The Montana Farmer for March 15 says in an editorial: "As far as the average Montana stockman and farmer is concerned, the operation of the War Finance Corporation loan plan has proved a bitter disappointment. Of that there is no question. The Montana Farmer continues to receive letters from all parts of the State that express this feeling. Comparatively few bankers have seen their way clear to give their farmer-clients the benefit of the loan plan. In some instances the banker has been very frank in saying that he does not want to bother with a loan on a two per cent margin and that he does not believe it to be a good thing for the banking business to establish the precedent of agricultural loans at the low rate of interest specified in the War Finance Corporation plan. This attitude may be business but it does not look like cooperation to the farmers. The Montana Farmer has tried repeatedly to get a statement from the War Finance Corporation loan organization at Helena as to what the farmers and stockmen can expect and what they can not expect from the plan but thus far we have been unable to secure this information. Whether the trouble lies with the plan itself, with the loan organization in Montana, or with the individual bankers is not altogether clear. It is certain, however, that the average stockman and farmer is getting mighty little direct relief."

War Finance Corporation Financing

2. The War Finance Corporation announces that from March 20, to March 22, 1922, inclusive, it approved 102 advances, aggregating $2,847,000, for agricultural and live-stock purposes in 21 States. The Board also approved an advance of $1,400,000 to a banking institution organized to promote export trade, for the purpose of financing the exportation of cotton. (W.F.C. press statement, Mar.24.)

Wool

London wool sales are very strong. Prices now generally equal the best of January rates on all descriptions. Bradford top-makers' quotations are very firm. Australian cables report a strong and active market. (London dispatch to press, Mar. 22.)

Wool Tariff

A rate of 33 cents a pound for cleaned wool, with proportionate rates on wool of lower grades, was agreed on yesterday by Republican members of the Senate Finance Committee in their revision of the Fordney tariff bill. The agreed rates, senators said, are the same as those in the Payne-Aldrich bill. They are slightly higher than those voted by the House, but considerably lower than the wool rates of the emergency tariff law. The latter imposed a rate of 45 cents a pound on the cleaned product. Senator Gooding, head of the Republican group interested especially in the wool rate, said he was satisfied with the committee's action. (Press, Mar. 24.)

Section 3.

Department of Agriculture

1. Commenting upon Secretary Wallace's request for opinions upon proposed changes in the Federal wheat grades, The American Elevator and Grain Trade for March 15 says: "To nine out of ten wheat buyers the changes would make but little difference. Millers, who buy the bulk of Spring wheat, buy it on quality and not on name. The changes therefore, merely express the desire of the growers to kid themselves in the belief that they can get something for nothing, and changes would only make for harder work and confusion of inspectors. The very fact that there are to be no hearings leads us to believe that Secretary Wallace does not contemplate changing the grades unless there is an unmistakable demand from all interests."

2. California Cultivator for March 18 says in an editorial: "California has been a pioneer in fruit standardization. She has appreciated the value of reputation and tried earnestly to ship every box of fruit which would be equaled by every other box bearing the same brand or mark. She has succeeded. If not to perfection, she has achieved a great measure of commercial success. ... The Federal Department of Agriculture is likewise rendering valuable aid, but we believe the department at Washington is rather more deliberate in breaking away from red tape and following new methods. The police service of the department has endeavored to prevent cull citrus fruit from being dumped in the eastern markets, and with this every grower is in harmony, but when the Federal authorities make inspection of a car and then hold on siding for ten, sometimes possibly fifteen, days before releasing, it is rendering 'service' which certainly lacks much of being standardized. The Citrus League has a desire to aid the department in this matter of standardization and to that end has secured H. H. Warner to represent the league in an effort to secure quicker release of perishable fruits."

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 23: Chicago wheat prices declined under lack of buying support. Seaboard reported indifferent foreign demand; Liverpool market weak. Chicago May wheat lower at $1.32; Chicago May corn lower at 59 1/4¢. Crop outlook in Southwest more favorable. Closing prices in Chicago cash market: No. 2 red winter wheat $1.32; No. 2 hard winter wheat $1.31; No. 2 mixed corn 56¢; No. 3 white oats 35¢. Average farm prices: No. 2 mixed corn in Central Iowa about 43¢; No. 1 dark northern wheat in Central North Dakota $1.33¾; No. 2 hard winter wheat in Central Kansas $1.18.

Chicago hog prices steady, bulk of sales $9.75 to $10.30. Beef steers down 15 to 25¢, medium and good grades $7.25 to $8.85. Butcher cows and heifers steady to 15¢ lower at $4.25 to $8.00. Fat lambs steady to 15¢ lower at $13.10 to $15.85.

Potato markets steady to firm. New York Sacked Round Whites steady, f.o.b. shipping points at $1.71 to $1.78 per 100 lbs. Maine Green Mountains in bulk steady, f.o.b. at $1.11 to $1.21. Florida strawberries, Missionarys, 50-55¢ quart in leading markets; Florida Wakefield cabbage $1.25 to $1.50 per bushel and half hamper in Eastern cities.

Hay receipts continue light; the markets generally firm. Prices for good grades steady. Some improvement reported in Southern demand. Feed offerings liberal. Buyers continue indifferent; sales in most markets of small volume. Butter prices in Eastern markets dropped at 1 to 1 1/2¢ at New York and Philadelphia, account increased receipts, accumulated stocks and lessened buying demand. Cheese markets barely steady with tendency to weaker feeling on Daisies.

Spot cotton down 15 points, closing at 16.90¢ per lb. New York market futures down 45 points at 17.50¢. (Prepared by Bur. Mkts. & Crop Est.)

Industrials and Railroads

Mar. 23: Average closing price 20 industrials 86.90 compared with 77.39 corresponding day 1921; average closing price 20 railroad stocks 79.13, compared with 70.90. (Wall St. Jour., Mar. 24

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 70. Section 1. March 25, 1922.

Grain Growers Adjourn

The Philadelphia Public Ledger to-day contains the following dispatch from Chicago: "Amid shouts of the anti-administration faction for recognition, the first convention of the United States Grain Growers, Inc., was adjourned in a turmoil March 24 by President C. H. Gustafson. Robert A Cowles, Bloomington, Ill., and Robert Peterson, Oswego, Illinois, elected last night as directors, refused to serve

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Wool Tariff

"Through the influence of the Agricultural Bloc, the Senate Finance Committee, in fixing its rates on manufactures of wool reduced them considerably below the old Payne-Aldrich Act rates, but kept them materially higher than in the present Democratic tariff act, thus overturning the old Republican policy with respect to the wool schedule of making compensatory duties about four times as great as the raw wool rate." (Wash. Post, Mar. 25.)

Federal Aid Asked for Georgia Products

Representative Lankford, of Georgia, March 24, introduced a bill asking for an appropriation of $25,000, to be expended by the Secretary of Agriculture, providing for the sale of farm products directly from the producer to the consumer; also a bill to promote the direct sale of watermelons and canteloupes from producer to consumer. Both bills were referred to the House Committee on Agriculture (Press, Mar. 25.)

Freight Rates

Proposals of southwestern railroads to establish grain rates from Sioux City, Ia., to Louisiana and Texas points, which are uniformly five cents per one hundred pounds higher than similar rates from Omaha to the same destinations, were suspended March 24 by the Interstate Commerce Commission until July 23. (Press, Mar. 25.)

Seed Corn in Russia

Sixty thousand tons of American seed corn have arrived in the famine regions of Russia and are being distributed, according to a cablegram received at American Relief Administration headquarters. (Press, Mar. 24.)

Section 2.

Agricultural Situation

The Wall Street Journal to-day says, in an editorial entitled "Where the Farmer Stands": "When official records show that in the calendar year 1921 farm products made up 50.3 per cent in value of our export trade, the importance of this industry in business matters can be better understood. When an analysis of those same records shows that the farmers shipped 27 per cent more in volume than in 1920 and received 39 per cent less, the severity of the agricultural crisis is even more apparent. A slight improvement in prices, coming too late materially to affect the already liquidated farmer, should not blind the eyes of anyone, in Congress or out, to the tremendous interest the farmers have in bonus, tax, and tariff legislation, coal strikes and freight rates, foreign budgets and German reparations. The total of farm exports in 1921 was $2,204,000,000. ... Wheat, cotton, pork and leaf tobacco were the four leaders in value; but all the other products, from corn down to dried prunes, made an impressive showing. There is nothing in the way of foodstuffs produced here that was not shipped. There were a few articles, like flour and dairy products that did not compare in volume with 1920. But with the exception of beef and oats the shipments of all kinds of farm products were greater than the average of the five years before the war. Detailed export figures show the value of Europe as a market for American farm products. Without that market our agriculture would be obliged to adjust itself to a lower scale of prices. Business is like a wheel within a wheel. The farm population, being the greatest consuming class, taking, as it does, almost as much as all others put together, business is vitally interested in farm prosperity. Thus, whatever affects the farm is quickly felt in every payroll of the country. A fall in the German mark will be felt in the exports of wheat and lard; reparation payments, which may interfere with balancing of budgets, will affect the sale of foodstuffs and textiles, and the shutting out by tariff of the products of Britain and other industrial countries may be reflected in reduced exports of beef, bacon, fruits and cotton. The world is too complicated now for any country to stand alone and prosper."

American Farm Bureau Federation

An editorial in The American Elevator and Grain Trade for March 15 says: "It is bad enough to be spurned, but to be spurned twice in the same spot is too much. Our hearts should bleed for the Farm Bureau Federation for this has been its recent experience. Perhaps we would grieve if the Farm Bureau had not brought its castigation upon itself. The first blow came from the cooperative livestock shipping associations which the National Live Stock Producers Association, the pet child of the American Farm Bureau Federation, is trying to put out of business at various central stock markets. The independent cooperative societies are up in arms and have determined to fight the National. The second jolt came from the Farmers Grain Dealers Association of North Dakota, which at its recent meeting at Grand Forks, repudiated the U. S. Grain Growers and all its works. ... All this must be somewhat discouraging to the Farm Bureau. That organization tried to monopolize the marketing of both live stock and grain, and the American farmer has rebelled. He has renounced the monopolies threatened by the agencies of the Bureau. ..."

Capper-Volstead Act

An editorial on the "Federal Cooperative Marketing Act," in Western Farmer for March 15 says: "The passage of the new marketing law marks a new era in the sane, orderly, cooperative marketing of farm products. Much responsibility rests with cooperative associations in seeing that they conform to the intent and purposes of the law. By so doing there will be little danger of the repeal of the act. To the Pacific Northwest, where many cooperative marketing associations are doing good work, a great help has come through the passage of this measure by Congress."

Cooperative Boycott

Basing an editorial on Secretary Wallace's statement regarding the boycott of cooperatives at St. Louis stockyards, Northwestern Stockman and Farmer for March 15 says: "Certainly when such high-handed methods of intimidation and coercion are used by a select few at our public market places it is time the Government stepped in to protect the producer and the consumer. There have been many fears expressed at the growing tendency toward Government regulation and control of business but as long as business interests resort to such tactics as are brought out in this report, a strict supervision will always be necessary to safeguard the interests of the public. The frantic efforts that are being made by commission men to discredit cooperative marketing associations on the one hand and their equally frantic efforts to line up the public against Government regulation on the other, will receive little consideration from the producer until they can come with clean hands."

Cotton

"Cotton Consumption in Europe" is the title of an editorial in The Wall Street Journal for March 24, based on a Department of Agriculture cable from London to the effect that four of the principal countries of Europe consumed 1,907,000 bales of American cotton in the six months ending January 31. The editorial says: "The figure shows a substantial improvement in the foreign spinning industry. Judging the future by the past, the overseas demand for American cotton will be larger this coming season, with no assurance of an increase in the supply. Going back to the returns of the International Federation of Master Cotton Spinners for the preceding six months, the period ending July 31, 1921, it can be seen that this has been an increase of 50 per cent in those four countries. Great Britain alone doubled its consumption in the past six months. ... But if the comparison is carried back to the six months ending January 31, 1921, there is also some improvement to be seen. France and Germany as well as England, spun more cotton. Italy consumed less, but is now recovering from the loss of six months ago. It is a significant fact also that Japan, in the past seven months, took 650,642 bales of cotton from America, compared with but 208,460 a year ago. This improvement is not due to extended credits, or benevolence of a like kind. Mills have been able to get credit whenever they could show reason for its being extended to them. European bankers have been handling the cotton business in a practical way. Extensions of credit have been based upon a market for the finished goods. An increase in mill consumption now does not mean a piling up of goods, but an actual consumption. Foreign mills have used more raw cotton because people have been ready to buy more goods."

Italian Tariff Retaliation

The Italian Ambassador, asked to explain the attitude of discrimination against American goods embodied in the tariff legislation of his Government which has been in effect since August, and which proposed legislation threatens to make still more discriminatory, said: "In accordance with the policy long since adopted by several of the principal countries of the world, including the United States, the Italian Government was obliged to increase the schedule of import duties upon many items." Among goods largely exported from America to Italy subject to the new tariff and increased customs duties the Ambassador enumerated are lard, railway cars, steam locomotives, cottonseed oil, shoes, and typewriting machines. "These six categories," said Ambassador Ricci, "represent an average import by Italy from the United States of about $40,000,000. The increase in customs duties, generally, was not very high. Nevertheless if the campaign of the American agriculturists (the farm bloc) carries on for a high protective tariff on the few olives and lemons which they supply for home consumption, is forwarded, and as a result the tariff raised, the Italian Government will be obliged to augment further the duty on American agricultural products imported by Italy." (Wash. Post, Mar. 24.)

Packers' Decree

An editorial on the "consent decree" of the packers, in The National Provisioner for March 18 says: "One packing company among those affected by the decree reported that they had disposed of their stock of groceries at a loss of $1,025,000. This fact points to the unsound economic basis upon which the argument was built that resulted in the separation of the so-called unrelated lines. The packer had an efficient distribution system that was able to market groceries to greater advantage than the methods of the grocers themselves. This was actually admitted in a recent case regarding peddler cars which came before the Interstate Commerce Commission. That being the situation, the real loser through the stopping of the use of an ably run marketing system is not the packer, who could no longer deal in these side-lines, but the consumer, who is penalized by the operation of a system more expensive than that of the packer, and for that reason finds it necessary to pay a higher price for such necessities as were formerly handled economically as side-lines by the packer."

Section 3.

Department of Agriculture

1. "The present inspection service conducted by the United States Bureau of Markets discriminates unfairly against the farmer or shipper who sells in intrastate commerce. The Federal law which permits only of official scientific inspection service in interstate commerce should be so righted that equal protection is afforded to all farmers without regard to State boundaries. ... American Agriculturist firmly believes that a farmer sending a car of potatoes to a market in his State, is as justly entitled to inspection of those potatoes as a farmer from another State. The attempt to make 'practical' inspection as is done at present on some commodities by State officials does not meet the need. The State marketing departments have not been built up for this purpose, and rarely is the personnel sufficiently trained to the work and competent to make the inspections. This is truly a duty which should be placed in the hands of the Federal Bureau of Markets and that bureau should have authority and the means to meet this need." (American Agriculturist, Mar. 18.)

Department of Agriculture

2. "Unwise Economy" is the title of an editorial in The Washington Farmer for March 16, which says: "Attention is called by the State Department of Agriculture to the fact that the appropriation for the work of eradicating predatory animals under the United States Biological Survey has been withdrawn. Simultaneously comes the announcement that in certain counties in central-eastern Washington rabies among coyotes is rapidly becoming a menace to the live stock and human inhabitants of those regions. The recent Northwest livestock conference at Spokane took cognizance of this situation and adopted a resolution urging this State's representatives in Congress and its senators to work for immediate return of this appropriation. It is a piece of penny-wise and pound-foolish economy to handicap this excellent service by the withholding of the small appropriation that it requires. The predatory animal hunters under the Federal and State direction have done much to rid the State of this menace. Cessation of the work for a short time would result in destroying in large measure the value of the accomplishment of several years' effort. Congress should immediately make it possible for this work to be resumed."

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 24: Chicago wheat prices rallied quickly following commission house buying and short covering. Chicago May wheat higher at $1.32 3/4. Milling demand improved. Corn prices dropped early but recovered with wheat. Chicago May corn unchanged at 59 1/4¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.32 3/4; No.2 hard winter wheat $1.32; No. 2 mixed corn 56¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa about 43¢; No. 1 dark northern wheat in Central North Dakota $1.30 3/8; No. 2 hard winter wheat in Central Kansas $1.20.

Chicago hog prices up 10¢, bulk of sales $9.75 to $10.30. All classes of cattle generally steady. Medium and good beef steers $7.25 to $8.85; butcher cows and heifers $4.75 to $8.00. Fat lambs about steady at $13.25 to $16.00.

Potato market steady to firm. New York sacked round whites steady, f.o.b. at $1.71 to $1.78 per 100 lbs. Maine bulk Green Mountains down 5¢ f.o.b. at $1.11 to $1.16. Florida strawberries 50 to 60¢ per quart in leading markets. New Jersey yellow sweet potatoes $2 to $2.25 per bushel hamper. Florida Spauling Rose potatoes $12 per barrel in New York City.

Hay prices continue firm under light receipts. Market easier at New York. Feed demand continues quiet. Cottonseed meal and linseed meal market firm. Offerings firm, demand limited.

Butter markets suffered further weakness. Storage and undergrades moving freely at lower prices. Cheese markets barely steady with tendency to lighter demand and slightly lower prices.

Spot cotton unchanged at 16.90¢ per lb. New York May futures up 2 points at 17.71¢. (Prepared by Bur. Mkts. & Crop Est.)

Industrials and Railroads

Mar. 24: Average closing price 20 industrials 87.40; average closing price 20 railroad stocks 79.08. Corresponding day last year was a holiday. (Wall St. Jour., Mar. 25.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. IV, no. 71. Section 1. March 27, 1922.

Government Periodicals

By the end of the present fiscal year the number of journals, magazines and periodicals published and circulated free by the Government from the various departments and bureaus will have been reduced from 266 to 40, with an annual saving of more than $2,000,000, according to a report filed March 25 by Representative Kiess, chairman of the House Committee on Printing. (Press, Mar. 26.)

Tariff on Farm Products

Tariff rates on meats and other farm products were readjusted March 25 by the Senate Finance Committee with slight increases in many instances. (Press, Mar. 26.)

Cold Storage Legislation

The bill for Government regulation of cold storage facilities, which passed the Senate during the last Congress, but failed to become a law, was reintroduced March 25 by Senator Norris. (Press, Mar. 26.)

Radio Legislation

Chairman Greene of the House Commerce Committee, reporting on the pending bill to extend the use of Government radio facilities for the handling of press and commercial messages for a period of five years, announced March 25 that House conferees would agree to no longer extension than one year. (Press, Mar. 26.)

Radio Telephony Spans Continent

Radio telephony spanned the continent March 25 for the first time. A telegram from the San Francisco Chronicle received on that date by the General Electric Company at Schenectady, N.Y., announced that a concert given at the company's Schenectady station was heard perfectly on the Pacific Coast. The previous farthest point reached was from the Atlantic seaboard to Reno, Nev. (N.Y. Times, Mar. 26.)

Potash Men Ask Protection

Potash manufacturers in the United States have submitted to Congress a petition asking protection from the underselling of the Deutsches Kali Syndikat, a German monopoly which, they assert, has totally destroyed the American potash industry built up in this country during the war to supply a national demand and in which nearly $30,000,000 was invested. (N.Y. Times, Mar. 26.)

U. S. Grain Growers — Directions to cease their activities have been sent out to Illinois solicitors for the United States Grain Growers, Inc., by Robert N. Clarke, State director of organization work. The action was the first move of the anti-administration faction, defeated by the followers of C. H. Gustafson, the president, in the recent annual convention, and said to represent 46 per cent of the voting strength of the organization since the adjournment of the National Assembly March 25. It has been a contention of the anti-administration faction that the president has made no adequate provision for marketing grain. At the national office of the United States Grain Growers, Inc., it was indicated that the activities of the anti group would not affect the policy of the Executive Committee. (Chicago dispatch to press, Mar. 26.)

Armour Called to Testify — A subpoena for the appearance at Kansas City to-day of J. Ogden Armour of Chicago to testify at the Department of Agriculture hearing into the suit brought by the local Live Stock Exchange Company against Armour and Company and the Fowler Packing Company, was placed in the hands of District Attorney Clyne at Chicago and served on Mr. Armour, it was announced at Kansas City March 25. The hearing is on complaints filed with Secretary Wallace under provisions of the Packer Control Act by the local exchanges in conjunction with representatives of thirty-four live stock associations in twenty-four States, charging the packers with attempting to monopolize the hog market in the local yards. More than five hundred farmers of the Southwest have been summoned to appear. (Press, Mar. 26.)

Townley to Resign as Non-Partisan Head — A. C. Townley March 25 announced he would present his resignation as president of the National Non-Partisan League to the meeting of the Minnesota organization in Minneapolis March 31. (Assoc. Press dispatch from Fargo, N.D., to press of March 26.)

Rice Substitute Discovered — "Adlay," a grain to substitute rice, has been discovered in the Philippines by P. J. Wester, a scientist at the Bureau of Agriculture. It is a grain known in India, but until recently unknown in the islands. It shells like oats and makes a bread as wholesome as does whole-wheat flour. It can be treated like wheat flour to eliminate the grain. It yields more prolifically than rice, requires less cultivation and attention and grows over wider areas. (Manila dispatch to press, Mar. 26.)

Farm Products' Value — Pennsylvania is the third State in the Union in the value of live-stock products, and seventeenth in the value of farms, as of January 1, 1920, according to figures made public March 25 by the Bureau of the Census. Live-stock products for 1919 amounted to $2,667,072,000, and of this total production in Pennsylvania, which was swelled by dairy products, was $156,012,000. New York headed the list. Iowa headed the country in the value of farm property, which totaled $77,924,100,000. With Texas heading the list of States in the value of farm crops for 1919, the country's output amounted to $14,755,365,000. (Press, Mar. 26.)

Section 2.

Cuban Sugar Exports

Exports of sugar from Cuba to the United States in the week ended March 4 were the largest in the history of the trade, accordin to the Federal Sugar Refining Company. During that week a total of 209,000 tons of old and new crop sugar came from the island, the highest previous record being in May, 1919, when 147,000 tons left Cuban ports in one week. (Press, Mar. 25.)

Grain Marketing

National membership in the U. S. Grain Growers, Inc., was increased to 52,779 farmers last week with the addition of 1,577 grain producers in eight states during the previous six day period. (U.S.G.G. press statement, Mar. 20.)

Marketing

Rural New Yorker for March 25 says in an editorial: "If we look at things fairly we must admit that the chief trouble with marketing farm produce is a lack of fair distribution. All the way from asparagus to zinnias there never was a time when every one had all he wanted of any farm product. Even in times of so-called 'gluts' there are starving or half-fed people who do not have half enough to eat. ... Thus what is known as 'over-production' means not that our farmers produce too much food, but they produce more than our present system of distribution can care for. There never was so much food in the world that everyone could be well fed. One trouble with the farm situation now is that we are producing more milk, eggs, grain, etc., than the distributors can handle. The surplus, dumped upon the market, without any proper attempt to dispose of it, is what brings prices down to ruinous figures. If we should have a most favorable growing season this year it will mean a tremendous crop, without improving the farm situation. With an unfavorable season, resulting in a short crop, many of our farm problems would be solved. Just how to prevent market 'gluts' and slumps in farm prices is the biggest problem in the world to-day. In most manufacturing lines it is usually possible to regulate production, but that is something never yet worked out in farming. Whenever prices for some product run high one season thousands of farmers proceed to 'plunge' on it the next year, and thus break the market. We think there is too much gambling in crop production as well as in crop selling."

Market Values

An editorial entitled "Cheese Side Lights" in New York Produce Review and American Creamery for March 22 says: "The important part that sentiment plays in determining market values has been well illustrated by the course of the cheese market the past few months. We entered the winter with very moderate storage holdings of American cheese, but with operators showing little confidence in the outcome. As a result prices did not advance and a considerable part of the reserve was moved either at a loss to owners or at a very narrow margin over cost. Recent developments, however, have indicated that the trade as a whole misjudged the situation. Fancy old cheese have cleared remarkably well for mid-March, and it now looks as if we would have a pinch in top grades of well-cured 1921 makes before new cheese are good enough to fully take their place. This appears to be especially true of strictly fancy New York State 1921 cheese which are already quite closely cleared from wholesale trade channels here. Remaining stock of these are now so light that some of the larger buyers requiring State cheese are already turning to the fresher production, and this has prevented the expected break for fresh State chee

Produce School — A school to train managers for produce stations is being started at Granville, N. D., with a few local men experienced at the business offering the benefits of their experience to anyone who desires to enter work of that kind. (Chicago Dairy Produce, Mar. 21.)

Radio Telephony — A new method of broadcasting news, concerts and lectures by radio telephony whereby an electric lighting circuit, connected at one end with transmitting apparatus and at the other end with receiving apparatus is used instead of any antenna, was demonstrated at the headquarters of the United States Signal Service March 24 by Major Gen. George L. Squires, Chief Signal Officer of the army, and the inventor of the system. The new method, General Squires believes, will relieve the congestion of wireless broadcasting in the air and make radio telephony more widely available. (Press, Mar. 24.)

Wool Situation — The tariff situation and other factors have introduced an element of uncertainty into the wool trade, yet leaders believe that with even slight encouragement the business will revive speedily. The total volume of sales is limited just now, although certain grades have sold very well this week. Buyers have been called back from the West, and most of the trade believes it dangerous to make considerable purchases at present prices. Taken as a whole, the market is dull, a fact that is not changed because the holder of the last large accumulation of certain wools has decided to accept current bids. (Boston dispatch to press, Mar. 24.)

Wool Tariff — The Journal of Commerce for March 25 says in an editorial entitled "Impossible Wool Duties": "The Senate Finance Committee is undoubtedly running true to form in its decision regarding the duty on wool. This it desires to fix at 33 cents per pound of clean content. The rates on special kinds of low grade and coarse wool are fixed in proportion and are materially higher than those of the Fordney measure when it passed the House. Although some assert that the effect of the rates established will be to make the net protection materially less than it was in the Aldrich measure, a scrutiny of the provisions understood to accompany the rate named shows that it is likely to work much higher. ... At present wool is high in price and the effect of the emergency tariff duties has been at times to establish what amounts to an embargo on foreign wools. The immense stock accumulated by the Government during the war has been largely exhausted. From now on there will be the same general problems of getting good raw material that have always existed and the effect of the tariff will be as adverse to the obtaining of warm and well made woolen textiles as has invariably been the case in past years. Already the difficulties which always appear when an effort is made to apply a wool duty on a specific basis have been encountered in the attempt to adjust duties on the so-called 'derived' products. ... The farmer certainly has not suffered under the terms of the Underwood legislation. The carded woolen industry has been able to get better materials and to keep up its end of the trade with good results to the consumer. There are more sheep in existence on our farms and ranges probably than every before. ... The farmer, in fact, is getting satisfactory prices to-day all through the western wool growing region.

Section 3.

Department of Agriculture

1. Price Current-Grain Reporter for March 22 says in an editoria on "The Government Crop Report": "Mr. Myers, manager of the American Cooperative Publishing Co., in a circular says that resolutions passed at all the state conventions of cooperative farmers' elevator companies this year provide that his publishing company and the farmer grain dealers' associations of twelves states shall unite in making an 'international survey' of crop and grain conditions 'which shall be thoroughly reliable and efficient.' ... It is one of the fallacies which Mr. Myers and all the other superheated orators at farmers' gatherings have industriously promoted, that the Crop Reporting Board of the U.S. Government is not producing a dependable crop report. ... No Government-managed institution is perfect; but we think if there is one exception that directly affects the farmer and the public it is the Crop Reporting Board which has done more to maintain public confidence in the Department of Agriculture in these later years than any other bureau or office in it. Always deprived of the funds that were necessary for its proper working, and in later years handicapped by useless, or at least irrelevant, work forced upon it by the Bureau of Markets, the Crop Reporting Board has gone on giving out a report which, whatever its deficiencies, is recognized as the only really dependable national crop report published on the globe. Just at this particular time the Crop Reporting Board is in a very uncertain condition. It has been loaded down, as said before, with the work of gathering a great many statistics that have only the most indirect reference to the making of a crop report distinctively so called and which if collected at all should be gathered by the Census Bureau. Furthermore, the publication of the results of its work is so very inadequate that the Crop Reporting Board's work really is being sacrificed to the numerous marketing fads which the department has been taking upon itself. And now Congress proposes to bury it still deeper in a bureau flashily misnamed 'Bureau of Farm Economics.' If the American Cooperative Publishing Co. really appreciated thoroughly the situation and the enormous value of a 'thoroughly reliable and efficient' crop report, instead of trying to bamboozle its readers with the notion that it can produce such a report, it would join in appealing to the Congress of the United States to give the present Crop Reporting Board a fair chance and provide it with funds and an organization entirely separate from the Bureau of Markets so that it would be enabled to perform its functions in a proper manner and have its work properly published."

2. "Tampering with Spring Wheat Grades" is the title of an editorial in The Price Current-Grain Reporter for March 22, which says: "The best answer to the complaints of the Minnesota Railroad and Warehouse Commission on the character of the spring wheat grades which they are said to have had in the report of Professors Fitz and Coulter whom Secretary Wallace commissioned to 'study' the effect of the Federal grades on the price of wheat and perhaps to wallop the grades, is the paper printed on other pages hereof by John S. Shanahan. ... The object of Mr. Jacobson of the Minnesota Commission and of Representative Steenerson to lower the grades is to legislate value into wheat by means of the grading. Men in their positions ought to

know that that can not be done. The miller buys wheat for its milling quality. ... The duty of the Secretary of Agriculture, however, is to maintain the grades in order to promote better farming. It is his business to improve the quality of the product and to maintain the productivity of the soil and not lend his aid to the depreciation of either. Mr. Shanahan has shown what lax grading means in that regard. ... But now the Secretary and Mr. Steenerson and the Railroad and Warehouse Commission of Minnesota seem to be seeking an excuse to lower grades and still further encourage and contribute to the degrading of the quality of wheat in the Northwest and to the character of wheat farming in that locality. If they have made up their minds to do this, there is not much use of saying anything more; but let the Secretary of Agriculture take the responsibility therefor. ... "

Section 4.
MARKET QUOTATIONS.

Farm Products

Mar. 25: Wheat market erratic; prices fluctuated rapidly. Chicago May wheat lower at $1.30 3/4; Chicago May corn lower at 58¢. Cash demand slow except for choice milling grades. Closing prices in Chicago cash market: No. 2 red winter wheat $1.31; No. 2 hard winter wheat $1.30; No. 2 mixed corn 55¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa about 42¢; No. 2 hard winter wheat in Central Kansas $1.20; No. 1 dark northern wheat in Central North Dakota $1.31. Chicago hog prices up 10 to 25¢; bulk of sales $9.90 to $10.50. Cattle, sheep and lamb prices practically unchanged. Medium and good beef steers $7.25 to $8.85; butcher cows and heifers $4.75 to $8.00. Light and medium weight veal calves $6.00 to $9.00. Fat lambs $13.25 to $16.00.

Potato markets nearly steady. New York Sacked Round Whites firm, f.o.b. Western New York points at $1.74 to $1.78. Maine Bulk Green Mountains firm, f.o.b. at $1.16 to $1.21. Florida Wakefield cabbage 1½ bushels hamper $1.50 to $1.75 in New York. Florida strawberries 50 to 60¢ per quart in leading markets. Florida celery $2.75 to $3.50 in crates of 4 to 6 dozen bunches.

Spot cotton declined 1 point, closing at 16.89¢ per lb. New York May futures down 4 points at 17.67¢.

Wheat market heavy under liquidation during the week. Buying support lacking except for short covering and some buying by commission houses on breaks. Foreign markets showed downward tendency. Chicago May wheat dropped 8 1/2¢ for the week; Chicago May corn down 4¢.

Chicago hog prices advanced 5 to 20¢, light weights advancing most. Beef steers generally steady. Butcher cows and heifers up 25¢. Eastern wholesale fresh meat prices practically unchanged with the exception of fresh pork loin and good grade beef.

Apple markets steady. Supplies limited in the East; liberal in middle West. Celery markets firm. Cabbage markets firm. Potatoes steady in consuming markets.

Hay prices firm under light receipts; demand exceeds supply in some markets, especially Chicago. Feed demands remain quiet. Wheat feeds easier, particularly for future shipment. Freer offerings of most feeds in evidence.

Spot cotton down 30 points; New York May future down 31 points. (Prepared by Bur. Mkts. & Crop Est.)

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Vol. IV, no. 72. Section 1. March 28, 1922.

President Signs Retirement Bill

President Harding March 27 signed the bill recently passed by Senate and House, restoring the rights of retirement to 80,000 Government employees recently denied them by a decision of the Attorney General, who held that those "covered" into the classified service by executive order were not eligible for retirement. (Press, Mar. 28.)

River and Harbors Appropriation Increased

Disregarding recommendations of the Bureau of the Budget and of the Appropriations Committee, the House March 27 by a three to one vote added $15,000,000 to the amount carried in the Army Appropriation bill for river and harbor improvements. An amendment to increase the lump sum allotment from $27,635,-260 to $42,815,661, was offered by Chairman Dempsey of the Rivers and Harbors Committee, and was adopted by a vote of 158 to 54. (Press, Mar.28.)

Armour Hearing at Kansas City

The press of to-day reports from Kansas City: "Hearing of charges brought by the Kansas City Livestock Exchange against Armour & Co., in connection with operation of the Mistletoe stockyards, opened at Kansas City March 27. The case is the first brought under the Federal Packer-Stockyards Control Act of 1921. Hogs are bought by the Fowler Packing Company, owned by Armour & Co., at the Mistletoe yards direct from the producers. The plaintiffs contend that operation of the Mistletoe yards depresses the price of hogs on the open market at Kansas City and that the prices paid at the Mistletoe yard are 'arbitrarily fixed and interfere with an open and competitive market and constitute an effort by the Armour Company to control hog prices paid here.' The Armour Company said the Mistletoe yards are private, not public stockyards under the 1921 Federal law and that the motive of the Kansas City Livestock Exchange is to prevent direct buying of live stock from producers, thus forcing all producers to pay commissions."

Federal Reserve Board Aids Foreign Trade

The Federal Reserve Board March 27 announced a new regulation relating to eligibility of bankers' acceptances in export and import transactions which it is hoped will aid in the stimulation of foreign trade. The ruling places it within the discretion of Federal Reserve banks to rediscount acceptances under certain conditions. (Press, Mar. 28.)

Section 2.

Agricultural Outlook

"Some months ago it was suggested in this magazine that the prices of farm products, which had in general fallen so much farther than the prices of manufactured goods, would probably see some recovery in the course of this year. This recovery has already set in and has progressed far enough to make the prospects of the farmer, and therefore of trade in general, decidedly brighter than they have been since the great period of postwar deflation set in. The purchasing power of the agricultural group of workers was more drastically and suddenly cut down than ever before in our history. It has been the one largest item of concern in gauging the extent of the depression throughout the country. With farm products at prices, in many instances, even below prewar levels, while articles the farmer must buy were still from 50 per cent to 150 per cent above prewar level, he simply could not purchase; and the results have been showing dramatically in the dismal financial reports for 1921 of the great mail-order houses, fertilizer companies, agricultural machinery manufacturers, and a host of others. One of two things had to happen before a balance could be restored, with trading becoming active again. Farm products must rise in price to enable the farmer to purchase the goods which, with the higher levels of wages elsewhere, could only be produced and sold to him at high costs; or else the cost of production and the prices of these manufactured articles must come down to an extent that was scarcely conceivable in the face of the labor unions' ability to protect wage rates." (Amer. Review of Reviews, April)

Agricultural Situation

1. "The final summary of the year's business for 1921 reveals that many industries other than farming were compelled to take a loss along with the farmer. ... The big packers, according to recent statements, each lost several millions of dollars during 1921. An implement manufacturer reports 1921 to have been the most difficult year their industry has ever encountered. ... In many instances, prices approach closely the prewar level. Every industry which depended mainly upon the farmers for the sale of its output is afflicted in a like manner. It is indeed a striking example of a condition we have pointed out many times previously, that, without the normal buying power of the farmer, other business can not prosper. In this connection, the farmer should not lose sight of the fact that he may hinder the return of his own prosperity by being ultra conservative in his buying relationship with other industries. Now that farmers are slowly climbing back towards prosperity, they should realize that in so far as they are able they should buy those commodities of which they are in urgent need when it appears that a conscientious effort has been made to lower prices at a sacrifice to the manufacturer. The point is that when other industries depending upon agriculture are taking severe losses and have their output considerably cut down because of a lack of buying by farmers, there is a resulting forced idleness and decreased earning power of their employees, whose buying power of farmers' products is in turn restricted. Therefore, the healthier condition in agriculture at the present time is likely to be reversed in the future unless there is a like prosperity with industries and their workers." (Nebraska Farmer, Mar. 25.)

Agricultural Situation

2. "I find growing cheerfulness in agricultural sections due to advances in prices of farm commodities, and the general belief that higher prices have come to stay. The better part of this more cheerful frame of mind is the consciousness that the business of farming has reached the turning of a very long lane and that the future holds for the farmer the promise of a scientific and well administered business; equipped with the necessary plant, provided with needed funds, and with an abiding cooperative spirit among its members, such as hitherto has been foreign to its experience." (Archer Wall Douglas, in Press, Mar. 26.)

3. Eugene Meyer, Jr., Managing Director of the War Finance Corporation, who is visiting in the West, said recently at Albuquerque: "The worst is over in American business and for the farmers and live-stock growers of the country. Business conditions are distinctly better and confidence in the future upon a sound basis is warranted. I do not mean that boom-times are returning. Indeed, we do not want a return to the boom-times. Their reactions are too painful. But it may be said with confidence that the sheep and cattle growers of the West are now in a position to operate on a favorable basis and one that will prove profitable under economical methods of operation." (Phila. Ledger, Mar. 28.)

Corn Crop

The Wall Street Journal March 27 says in an editorial: "This country must soon begin to realize that our great corn crop was not an 'overproduction' but was given by an all-seeing providence to meet the pressing needs of a world short of foodstuffs. Corn is now moving in the channels of trade at a rate that a few months ago was looked upon as impossible. Not in years has Europe taken corn in such quantities as this season. ... The exports have been going principally to the United Kingdom, Germany and the Netherlands, where drought last summer destroyed a large part of the forage crops on which the existence of the live stock depends. Our great corn crop offsets that loss, and saves such a slaughtering of cattle and swine as would be a calamity to those countries. In the past eight months period, also, we have exported 1,066,000,000 pounds of pork products. If 100 pounds of dressed pork represents 16 or 18 bushels of corn, these shipments of hog products make a material increase in corn exports. The European drought of last summer seriously threatened the readjustment process. American corn, a few months ago looked upon as a drug in the market, is saving the situation. By the time the foreign demand ceases there will be no burdensome surplus. Well may the Nation, and the world, be thankful for last season's enormous crop of corn."

Food Prices

Retail food costs in ten cities decreased from 1 to 4 per cent from February 15 to March 15, the Bureau of Labor Statistics announced March 27. Decreases were: Manchester, 4 per cent; Baltimore, Bridgeport, Newark, New Haven, New York, Richmond and Washington, 3 per cent; Milwaukee, 2 per cent, and Denver 1 per cent. For the year ended March 15 retail food prices decreased 13 per cent in Bridgeport and Denver; 12 per cent in Manchester and New Haven; 11 per cent in Baltimore, Washington and Milwaukee; 10 per cent in Newark, and 9 per cent in New York and Richmond. (Press, Mar. 28.)

Muscle Shoals

"The Muscle Shoals Power and Industrial Project" is the title of an extensive article, by Judson C. Welliver, in The American Review of Reviews for April, which says: "A visit to Muscle Shoals at this time is intensely interesting. For a century or more this territory has been looking to a future of industrial importance. Just about one hundred years ago there was a 'boom'. Another came in the '80's of the last century; a third started during the war, when the Government took up the development. This third boom oozed out like its two predecessors when work was suspended for want of appropriations. But recently confidence has revived with the renewed discussion of the program, and all through the district speculation has been at fever heat, based on expectation that Ford would be the guiding genius of the new era. Everywhere, there is confidence that 'Ford is the man who can do it.' His mechanical and industrial genius, his unlimited capital, are relied upon. Along with all this, there is firm belief that Ford is going to accomplish a public benefit because his motive is primarily public service rather than profits."

Nitrogen

"The Race for Nitrogen" is the title of an editorial in The Philadelphia Public Ledger for March 27, which says in part: "It is written large in human history that no Nation or civilization ever has disappeared except from one, or both, of two reasons: They either were beaten down by a superior military adversary or they had exhausted the fertility of their soils and had to move to new lands, sometimes perishing by the way. There have been races for gold in history, but that is giving way to a new race, the race for nitrogen. The Battle of Muscle Shoals that is being fought now in Congress and elsewhere really is the first skirmish in the battle for nitrogen. The great war was a war of nitrogen. It is the food, the clothing, the shelter and the war stuff of the world. Plenty of nitrates in America will restore the fields now being exhausted, will furnish a war material without which guns and planes and soldiers are useless and helpless and will keep two great dangers, aforesaid, from drawing nigh America. Henry Ford wants to insure those two things for us at Muscle Shoals. The Chilean nitrate interests and the coking industry and divers others are opposed to him. They would prefer to keep the situation where it is to-day. Incidentally, Henry Ford wants to give the farmer cheap fertilizer so he may buy more automobiles. However, that is not what the interests assailing Ford at present fear most. They are fearful that money will not be the first consideration, but that he may wish to do for agriculture and for other interests what John D. Rockefeller has done for medicine. They are fearful of what he may bring about in chemistry, machine-building, hydro-electric fields and the light-metal business. They are not worried about his hope to sell a tractor, a truck and a car, all for $1,000, so much as they are about a possible Ford aspiration to go down in history as the man who made agriculture a business and a profession instead of a gamble. There are other phases to Muscle Shoals, but nitrogen is the main one. ... Muscle Shoals can furnish no more than 55 per cent of the nitrogen we are now using, and we are not using a tenth part of the nitrogen fertilizer that ought to be used. What is sold is put out at a price almost prohibitory. Henry Ford proposes to make 110,000 tons a year. This product will have about three times the value of Chilean nitrates. It will ease a situation that increases in loss and danger yearly."

Price Fixing

"Government guarantee of a minimum price on agricultural products has an alluring sound to many producers who have failed to receive the cost of their labor in the growing of the foods and fibers consumed in this country and abroad, Many organization leaders are also listening with favor to suggestions of this character and some are using their influence in urging such legislation. No doubt the suggestion has its merits, and that in an emergency, such as has existed, Congress would be justified in lending such price protection as would encourage an adequate and necessary production of any agricultural commodity. But does such an emergency now exist? Can not the producers, through their own organizations, control acreage and production, and by proper marketing methods, influence the market price in their favor? ..." (Farm and Ranch, Mar. 25.)

Section 3.
MARKET QUOTATIONS.

Farm Products

Mar. 27: Early weakness in wheat market influenced by weakness in foreign markets was followed by a sharp reaction and Chicago May wheat closed high at $1.33; Chicago May corn high at 58 3/4¢. Visible supply wheat 37,102,000 bushels, a decrease of 1,077,000 bushels for week. Visible supply corn 48,996,000 bushels, a decrease of 513,000 bushels for week. Closing prices in Chicago cash market: No 2 red winter wheat $1.35; No. 2 hard winter wheat $1.33; No. 2 mixed corn 56¢; No. 2 white oats 36. Average farm prices: No. 2 mixed corn in Central Iowa about 43¢; No. 1 dark northern wheat in Central North Dakota $1.29 7/8; No. 2 hard winter wheat in Central Kansas $1.15.

Chicago hog prices down 10 to 15¢, bulk of sales $9.75 to $10.40. Beef steers down 15 to 25¢; medium and good grades $7.00 to $8.75; butcher cows and heifers steady to weak at $4.25 to $8.00. Fat lambs generally strong at $13.25 to $16.00.

Potato markets nearly steady. New York Sacked Round Whites steady, f.o.b., at $1.71 to $1.78 per 100 lbs, Maine bulk Green Mountains $1.16 to $1.21, f.o.b., shipping points. Florida yellow Bermuda onions No. 1 $5.50 to $5.75 per standard crate in Baltimore. Florida Spaulding Rose potatoes $10 per bbl. in New York.

Western hay markets firm account light receipts. Demand dull at Philadelphia and New York. Feed markets weak, prices generally low. Increased offerings and slow country demand principal factors.

Butter markets about steady, but with Chicago markets relatively higher than eastern markets further price adjustments may occur. Cheese markets barely steady; weak in some quarters. Demand light; production increasing in Wisconsin.

Spot cotton down 6 points, closing at 16.83¢ per lb.; New York May futures down 3 points at 17.64¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and Railroads

Mar. 27: Average closing price 20 industrials 86.60 compared with 76.19 corresponding day 1921; average closing price 20 railroad stocks 78.79 compared with 70.18. (Wall St. Jour., Mar. 28.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. IV, no. 73. Section 1. March 29, 1922.

Relief Sought for Wheat Rust

Representatives of farmers of the Middle West before the Senate Committee on Agriculture March 28 appealed for relief, through an appropriation, against a "rust" invasion of the wheat fields of that section. (Press, Mar. 29.)

Government Reorganization

The New York Times to-day says: "It is regarded as doubtful that the administration plan for a reorganization and regrouping of Federal departments and bureaus can be whipped into shape for submission at the present session of Congress. Walter F. Brown, the chairman, President Harding's personal representative on the joint congressional committee for the reorganization of the executive branch of the Government, had a conference with the President late yesterday. The situation in which the reorganization scheme finds itself warrants the assumption that the conference sought to remove snags in the plan that have already caused irritation between a number of departments and bureau chiefs."

The Washington Star March 28 says on this subject: "The most troublesome feature of the reorganization plan thus far presented appears to be the proposed transfer of the Forest Service from the jurisdiction of the Department of Agriculture to the Interior Department. Other causes for much of the contention are known to be the proposed transfer of the Bureau of Markets and the Bureau of Public Roads from the Department of Agriculture to the Department of Commerce. Naturally these proposed shifts from the Department of Agriculture have called for protests of no mild nature from Secretary Wallace and his assistants and from the many friends throughout the country of his department."

Attorney General Holds Civil Service Hinders Efficiency

Before the House Appropriations Committee, March 28, Attorney General Daugherty expressed his belief that the civil service is a hindrance to Government efficiency and that civil service employees were "hardly as ambitious, hardly as energetic" as those who are not under civil service. (Press, Mar. 29.)

Statistics Clearing House Urged by Babson

Roger W. Babson, economist and statistician, March 28 submitted a report to President Harding in which he recommended that a central clearing house for Government material be formed, so that the wealth of information which the Government collects might be concentrated and available to business men, newspapers and other interests. Mr. Babson is chairman of a committee formed some time ago to investigate the situation. (Press, Mar. 29.)

Section 2.

Agricultural Financing

The War Finance Corporation announces that from March 23, to March 25, 1922, inclusive, it approved 121 advances, aggregating $3,324,000, for agricultural and live-stock purposes in 24 States. During the week ending March 25, 1922, the corporation approved a total of 223 advances, aggregating $6,171,000. (W.F.C. press statement, Mar. 27.)

Agriculture in Kansas City Reserve District

The Federal Reserve Bank of Kansas City says in its monthly review of business conditions, dated March 27: "Recent advances in prices of live stock and farm products, together with a generous distribution of moisture over practically the entire district such as to relieve drought conditions, have been chief factors in bringing about the changed situation. An abundance of loanable funds at low interest rates, advances to agriculture by the War Finance Corporation, and some further progress toward stabilization of prices, have helped in the transformation."

Atlanta Discount Rate Reduced

Recent general business improvement was given, March 27, by Governor M. B. Wellborn, of the Atlanta Federal Reserve Bank, as the reason for an order further reducing the discount rate from 5 to 4 1/2 per cent. The rate was 7 per cent in January, 1921, and has been reduced progressively since that time. (Press, Mar. 28.)

Boys' and Girls' Club Work in Britain

"Young Farmers' Clubs" is the title of an article, by F. E. Bussy, in The Journal of the Ministry of Agriculture (London) for March, which describes what the British Young Farmers' Club, based upon the American movement, is and does. The article states that increased interest is being taken by both agriculturists and the general public in the Young Farmers' Club plan, which is being vigorously promoted by the London Daily Mail and several big British industrial concerns.

Emergency Legislation

An editorial in The Commercial and Financial Chronicle for March 25, says: "The plight of the farmers, much as it awakens the interest and sympathy of the people, is not justification for a brood of statutes intended to alleviate a condition that in itself is abnormal. Emergency legislation is a contradiction within itself. For law by its very nature is not an instrumentality for the correction of passing difficulties. The common definition, 'a rule of right action,' can not be applied to situations that are unusual, and do not repeat themselves in like manner. Not only is emergency legislation of necessity class legislation, but it is law that in the nature of things can not be obeyed or observed by the many. Therefore it gives rise to other laws intended to equalize conditions partially created by its own enactment. Especially is it productive of harm at this time, when there is a marked tendency to appeal to Government for the eradication of all our evils -- social, commercial, economic, financial. ... The farmer is very much exercised by what is said by some to be a subversion of credit. Yet the Government has not a dollar of money or of credit that is its own. By taxation it takes money from the people to pay the bills occasioned by its own functioning, but its Treasury is actually empty, save as it collects and disburses. It is true that it can issue its own 'promises

to pay,' and make them do duty as money, but it can never pay these promises without appeal to the people for funds, real money. Our Government has obligated itself to pay billions of bonds issued to raise funds for war, but it is powerless to pay them without resort to taxation. In like manner the War Finance Corporation can make loans to farmers, which if the farmers do not pay with interest, the people at large must pay ultimately by taxation, or the Government be in default. Government itself is not a credit-fountain. When we go one step further than the making of appropriations and the issuance of special and favoring credits, to the enactment of laws of privilege, laws to enable business to more easily and securely function, we can not depart from the rule that there is no power vested in Government to do these things, to overcome conditions natural, and to alleviate distress that occurs by no neglect of Government, that follows no specific will-to-evil by any other class or business -- or by any other Government. The whole process is outside the legitimate province of Government -- representative republican Government founded on liberty and guiltless of oppression. If this is not true, there is but one alternative, an interminable line of statutes, forever increasing in number, at an accelerating ratio, constituting ultimately the denial of all individual liberty."

Farmers' Purchasing Power

The Financial Age for March 25 says in an editorial: "It is clear that the country is gaining new wealth and that its people are increasing their purchasing power materially. The farmers alone are known to have added about $235,000,000 to their purchasing power from the rise in wheat and corn prices between November and March. This estimate is based on the farm reserves as indicated by the figures recently given out by the Department of Agriculture. ... These figures offer impressive evidence of the increased purchasing power that the Nation is showing and provide a basis for very definite expectations of sustained improvement in general business conditions later on. There is good reason to believe that the farming classes represent the largest purchasing power represented by any one group of producers. Although the United States has come to be a great manufacturing Nation, it must never be forgotten that agriculture is still our dominant industry and that its employers and employed represent the largest group of merchandise buyers in the country. It stands to reason therefore that when these people are well supplied with cash, all classes of business will show a reviving tendency. There is no doubt but that the business outlook for the country as a whole has been materially improved and brightened by the indications that the largest group of merchandise buyers are in possession of funds enabling them to provide for their household requirements and to indulge in certain luxuries. ... The situation is full of interesting possibilities, and, while no one can tell just how far the present upward price movement will go as regards farm products, it is significant that as these prices have advanced, the quotations on agricultural implements and other articles and supplies used by the farmers have declined. It is fair to assume, therefore, that the farmer is coming into his own again and that the time is not far distant when his purchasing power will be not only fully restored, but may be more productive than it ordinarily is, owing to the reduction in prices of the things which the farming classes have to buy and provide themselves with."

Price Fixing 4. The Nebraska Farmer for March 25 says in an editorial entitled "Stabilizing Farm Prices": "A plan that is fraught with hazards of the most serious character to agriculture is the agitation now being carried on in some quarters for the so-called stabilization of prices for farm products. One spokesman for agriculture states the case in these terms: 'We insist that farmers be given at least a part of the consideration which has been extended to railways, the trolley systems and the gas and electric organizations.' There is no question, of course, of the desirability of stabilizing prices in any essential industry and this applies with particular force to an industry of such basic importance as agriculture. But there is a very great difference between admitting the desirability of such a condition and providing means by which it can be insured. If, for instance, the spokesman above quoted would have the same limitations placed upon agricultural prices and profits that are now exercised over public utilities, it is safe to challenge at once the wisdom of such a course. ... The subject at once resolves itself into whether it is humanly possible to apply such regulation to a business, the conduct of which embraces such a wide variation of conditions. For instance, no less a thing than the natural elements effects a very large influence over the production of certain crops. Is it to be assumed that the Government shall fix prices on agricultural products, so that the farmer may be either guaranteed a profit or limited in the profit that he shall make on each year's crop? In the very nature of human ability, it is utterly impractical to contemplate such regulation. Is it not far safer and fundamentally more sound to assume that the natural laws of economics when privileged to operate untrammeled, will bring about the most normal conditions with reference to agriculture, the same, as in every other essential line? If this is a fair assumption, it certainly, then, is unwise for the Government, either nationally or locally, to attempt to exercise regulatory authority or power over the prices of agricultural products."

Section 3.

Department of Agriculture

The Outlook for March 29, which contains two editorials on the Forest Service, says, in the second: "Thus one of Theodore Roosevelt's great constructive achievements is in danger -- the Forest Service. In the Roosevelt administration Gifford Pinchot was Forester. In a recent letter Mr. Pinchot thus summarizes the present situation: 'In the Department of Agriculture, where they are now, the Forest Service and the National Forests are safe and well managed. ... Their purpose is to grow trees, and they belong naturally in the department which has to do with growing all crops, including tree crops. ...' The Forest Service participated in no way in this discussion, and so far as we know, has not been a party to the agitation of the possible effect on the service of the general reorganization plan. Independently of this plan, bills providing for the transfer of this service, in whole or in part, were placed before Congress. Of these bills, two affect the administration of the Alaska forests. The views of the Forest Service were officially presented to the congressional committees. In his annual report Colonel Greeley, United States Forester, discussed the subject. He had also discussed it in an article published in 'American Forestry'.

which was given to that magazine several months before the new Federal Administration took office. But neither against the Alaska bills nor against the measure providing for the transfer of the Forest Service bodily to the Interior Department has the Forest Service conducted any campaign of propaganda to which might be ascribed the rising tide of public sentiment against their enactment. The rising of this tide may be due to the utterances of the Secretary of the Interior. He has openly advocated the transfer, and has adversely criticised the work, methods, and purposes of the Department of Agriculture in its Forest Service. Under date of March 4, 1922, the Department of the Interior gave out a statement from him attacking, as he said, 'Pinchot and Pinchotism, Greeley and Greeleyism,' thus making it clear how the Secretary would move if the transfer were effected."

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 28: Wheat market unsettled and prices closed fractionally lower; Chicago May wheat $1.32 1/2; Chicago May corn 58 1/4. Cash markets weak; closing prices in Chicago: No. 2 red winter wheat $1.34; No. 2 hard winter wheat $1.33; No. 2 mixed corn 56¢; No. 3 white oats 36¢. Milling demand not active; large St. Louis mill contemplates closing down next week. Average farm prices: No.2 mixed corn in Central Iowa about 42¢; No. 2 hard winter wheat in Central Kansas $1.18; No. 1 dark northern wheat in Central North Dakota $1.33 5/8.

Chicago hog prices down 5 to 10¢, bulk of sales $9.75 to $10.40. Beef steers steady to strong; medium and good grades $7.00 to $8.65. Butcher cows and heifers steady to strong at $4.25 to $8.00. Fat lambs strong at $13.75 to $16.10.

Potato markets fairly steady. Maine Green Mountains in bulk up 10¢, f.o.b. shipping points at $1.16 to $1.26. Florida Spaulding Rose $11.50 to $12.00 per bbl. in Baltimore; $9.50 to $10.50 in other Eastern cities. Sweet potatoes firm in leading markets. Florida cabbage in Baltimore, Pittsburgh and New York steady at $1.25 to $1.40 per bushel hamper.

Spot cotton unchanged at 16.83¢ per lb. New York May futures up 12 points at 17.76¢. (Prepared by Bur. Mkts. & Crop Est.)

Industrials and Railroads

Mar. 28: Average closing price 20 industrials 87.20 as compared with 77.13 corresponding day 1921; average closing price 20 railroad stocks 79.15 compared with 71.71. (Wall St. Jour.,Mar.29.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. IV, no. 74. Section 1. March 30, 1922.

Forest Funds Asked

As an amendment to the Agricultural Appropriation bill, Senator Swanson, March 29, proposed an appropriation of $1,000,000 for the acquisition of forest lands at headwaters of navigable streams. (Press, Mar. 30.)

Free Seed Item Dropped

The Senate Agricultural Appropriations Committee March 29 voted to strike from the supply bill the annual item for the purchase of free seeds from members of Congress. (Press, Mar. 30.)

Cotton Inquiry Approved

The Senate March 29 adopted a resolution, introduced by Senator Dial, which directs an investigation of the Cotton Exchanges in New York, New Orleans and other cities by the Federal Trade Commission. The resolution has for its main purpose an investigation to determine the cause of the present depressed price of cotton. The commission is called upon to ascertain data especially touching upon the operations, methods and plans of the exchanges and to get such information as will show whether such plans as are now followed are fair and equitable or prejudicial to the cotton grower. It is also proposed to ascertain the amount of stock of raw cotton in the United States and elsewhere yearly world consumption for the years 1919, 1920 and estimated for 1921, and amount of imports and exports of cotton. The commission is requested to suggest such remedial legislation in the matter as it may think proper. (Press, Mar. 30.)

Personnel Man for Civil Service Commission

The Washington Star for March 29 states that President Harding is being urged to select a real personnel expert from one of the larger business corporations of the country to fill the vacant chair in the Civil Service Commission.

British Approve Absence of America from Genoa

A London dispatch to the Philadelphia Public Ledger today says in part: "Great Britain, it may be said authoritatively, is now in thorough accord with the United States' attitude that America should not attempt to help Europe out of her difficulties until Europe shows a strong inclination to set her house in order."

Section 2.

Egg Exports by Mail

Eggs may now be sent to foreign countries by parcel post when individually wrapped and inclosed in a metal container, which in turn must be incased in a wooden box, according to an announcement March 28 by the Postoffice Department. (Press, Mar. 29.)

Foreign Trade

"The Changing Aspects of International Trade" is the title of an extensive review, by Arthur R. Marsh, in The Economic World for March 25, which says: "It is to be feared that the number of persons in the United States who have acquired the habit of following closely from month to month the foreign trade statistics of the chief commercial countries in the world is not as yet very large, notwithstanding the emphasis that has been laid upon the importance from the standpoint of our domestic prosperity of our own interchanges of goods with other nations since the war. ... A very much smaller number -- and those chiefly to be found in our financial centers -- have come to study with some care the foreign trade figures of Great Britain, these being looked upon as having peculiar significance in connection with the movements of the international exchanges. ... It is at last perceived that it is a matter of vital importance to us that our production, distribution and consumption of goods should be adequately adjusted to and correlated with the production, distribution and consumption of goods in other countries on the globe. But the primary visible evidence of this adequacy of adjustment and correlation is to be found in the statistics of the international trade, not of this country alone, but of all the countries whose contribution to international production and distribution is considerable. In these statistics, and nowhere else, is it possible to make out surely and quickly the direction or directions in which the great currents of trade between nations are setting at a given moment, and in which they are likely to run for a more or less prolonged period after their new movement has become established ... "Generally speaking, it may be said that the changes referred to are to the disadvantage of countries like the United States, which were able during and immediately after the war enormously to expand their foreign trade, and especially their export trade, by reason of their possessing unimpaired or even enlarged productive resources at a time when the war and its after-effects had severely crippled the powers of production of the belligerent nations. These are now steadily improving, since they are at last attaining such a degree of recuperation from their industrial and commercial prostration that they are no longer compelled by the dire necessities of their material impoverishment and diminished production to procure from the more fortunate countries, without much regard to cost or to economic consequences, much of the foodstuffs and nearly all of the raw materials required to sustain the life and support the industries of their populations. ... But a necessary corollary of this change is that the equally huge balances of trade in favor of the countries from which they bought are also disappearing. It is true that this process of readjustment has been attended by a great shrinkage in the volume of the commodities and goods entering the world's international commerce -- a shrinkage in volume which has had a tremendously depressing effect upon world prices and has produced a disproportionate decrease in the values of imports and exports everywhere. From the point of view of the world's economic equilbrium, however,

the main matter after all is the correction of the vast abnormalitie in the relative commercial -- and hence financial -- positions of the various countries to which the dreadfully unbalanced internation al trade of the past five or six years gave rise.

Americans, of course, are most directly interested in the effect of this great change upon the foreign trade of the United States, That the effect has been profound goes without saying, this being sufficiently evidenced by the gradual abandonment, tacit if not expressed, of the grandiose dream cherished for a time by great numbers of our business and financial leaders of an indefinite continuance of an export trade so vastly in excess of our import trade that we should soon have the entire world permanently in debt to the United States for an untold but ever increasing amount. ... "

Marketing

"Reorganize Marketing" is the title of an editorial in Farm and Home for April, which says: "Two essentials are now at hand that go far to insure the successful reorganization of marketing. One is the U. S. Warehouse Act, under which an individual or a group of farmers may have their storgge licensed under Federal authority so that its receipt for a commodity of established grade, quantity and quality stored therein shall be negotiable security available for bank collateral. The other is the new Federal act which legalizes cooperative marketing. Until it went into effect, February 18, the members and officers of associations engaged in interstate traffic ran the risk of fine and imprisonment. Several distressing instances of the kind occurred. That hazard still continues under the anti-trust laws of some states. Now the third and newest factor, that may do more good than both of the foregoing, is the Anderson bill which Congress is expected to enact into law. It proposes a short term credit department in each Federal land bank, through which the notes of individual farmers or their associations, secured by such warehouse receipts, may be rediscounted at reasonable rates. The land banks are to get the money for this purpose by reselling such paper or by the sale of debentures secured thereby. Such paper also may be rediscounted with Federal reserve banks, when within six months of maturity, as at present."

Peach Marketing in New Jersey

With the organization of the Riverton branch, to include many large orchards in that vicinity, the New Jersey Fruit Growers' Cooperative Association has completed its State-wide marketing structure for handling the peach crop this summer. Growers expect the largest peach crop ever grown in New Jersey, and scores of representative farmers who have studied the success of cooperative efforts in other States have become affiliated with the movement in the last few weeks. (Phila. Ledger, Mar. 29.)

Price Fixing

"Advocates of Government price fixing cite the alleged success of the same plan in Australia where there is a minimum price on wheat. Australian conditions, however, are different. The Australian wheat acreage is limited, not so much as regards territory in which wheat can be produced, but by the sparsity of population. In the United States it would be easy to double the acreage of wheat, corn, cotton or other major crop on which the Government might be called upon to fix prices, and unless the Government also assumed the power to control acreage, there is reason to believe that there would be such a surplus that it would be a serious drain on the treasury in paying for it." (Farm & Ranch, Mar. 25.)

Radio Advocated for Alaska

The wireless telephone could save lives, prevent much suffering and be of great commercial advantage in Alaska, according to the Rev. Frederick B. Drane, Episcopal Archdeacon of the Yukon, who is now in New York. (N.Y. Times, Mar. 29.)

Rice Marketing

"Ninety per cent of California's 1921 rice crop is being shipped to Japan. This is the first time in history that a Californi food product has been exported to Japan for consumption. Losses by California rice growers on their 1920 crops forced them to protect themselves against a similar situation this year. Rice growers had to be assured of two and a half cents a pound at the warehouse door in order to insure a profit. California rice is similar to that grown in Japan, whose rice crop this year and for some time to come will be inadequate. A five-year contract has been signed by growers and the California Rice Growers' Association for the latter to market the crop. This move is similar to that taken by prune and raisin growers. This year's rice crop will total 3,300,000 bags, and is being sacked at the rate of 100,000 bags a week." (San Francisco dispatch to Phila. Ledger, Mar. 30.)

Section 3.

Department of Agriculture

1. Under the title "The Fight for Alaska's Forests," American Forestry for April devotes eight pages to the subject of the proposed transfer of the Forest Service to the Department of the Interior. One of several editorials upon the subject says in part: "Secretary of the Interior Fall, exercised over the widespread and vigorous opposition to his plan for transferring the National Forests in Alaska from the Department of Agriculture to his department, issued a statement on March 4 setting forth his views. The newspapers gave considerable space to his declarations and to others which followed, including denials that the Department of Agriculture was conducting propaganda against Secretary Fall. All of this, following the very wide publication of articles opposing the proposed transfer distributed on news sheets of the American Forestry Association, has resulted in the public becoming unusually well informed regarding this very important matter. As a result of this widespread information the opposition to taking the National Forests from the Department of Agriculture, where they have been very satisfactorily administered, has become most pronounced. The newspapers are practically a unit in protesting against the proposal and scores of influential organizations have condemned it."

2. "Fake Federal 'Aid' " is the title of an editorial in New England Homestead for March 25, which says: "By all means should the Massachusetts legislature adopt the Shattuck resolution. It calls for complete data as to the working of so-called 'Federal aid.' It shows that if the United States spends $100,000,000 annually for road building from income taxes, only two million of such 'aid' would be spent on the roads of Massachusetts, but five millions of the big fund would come from the Federal income taxes paid by citizens of the old Bay State. It is obvious that Massachusetts loses three million dollars on the transaction, and would be three million dollars better off if it built its own roads with its own money.' Indeed this State last year turned into Uncle Sam almost an even $260,000,000 for income taxes, six times as much as was spent that

year for 'running our entire State Government.' It is evident that the so-called 50-50 Federal aid works out to give back to Massachusetts only a few cents on the dollar of what she contributes to the Federal Treasury. Bad as this is, inevitably worse is the McNary plan now before the United States Senate for final action, whereby $350,000,000 of Federal cash or credit will be used for irrigating arid deserts in the far West at a cost of $350 per acre."

3. The Washington Star of March 29 says: "Submission to the full joint committee on the reorganization of the administrative branch of the Government of that portion of the reorganization plan agreed upon by President Harding and the Cabinet was said to-day to be in prospect in the near future. ... The plan for the reorganization of the Department of Agriculture, the Interior Department and the Department of Commerce contains certain so-called drastic changes, it is said, affecting especially the first-named department, and it is considered likely by those high in official circles that the heads of the departments in question will take some little time before reaching an agreement. Therefore the President sees no reason why the program should be delayed longer because of that situation, and for that reason will endeavor to proceed with the remainder, which is practically three-quarters of the entire program.... "

Section 4.

MEETINGS, HEARINGS AND VISITORS.

Representatives of the Grain Division of the Bureau of Markets and Crop Estimates from Washington and the field are meeting in Washington this week with Prof. L. A. Fitz of the Kansas Agricultural College, and John Lee Coulter, President North Dakota Agricultural College, to consider the reports submitted by them as a result of an extensive study of the application of the grain grades in the Northwest. These gentlemen, with Secretary Wallace and Dr. H. C. Taylor, met a number of Congressmen interested in this subject in the office of the Secretary of Tuesday evening. No conclusions as to the practicability of making changes in the standards have been reached. Professor Fitz and President Coulter may be reached through the Bureau of Markets and Crop Estimates.

Dr. G. F. Warren, of Cornell Univeristy, will be in Washington on Friday and Saturday of this week. He may be reached through the Bureau of Markets and Crop Estimates.

N. T. Frame, Director of the Agricultural Extension Service of West Virginia, will be at the States Relations Service on March 31.

World conditions, and not the packers, make or break markets, J. Ogden Armour, president of Armour and Co., told J. H. Mercer, secretary of the Kansas Livestock Association, and Dr. O. O. Woolf, head of the National Livestock Producers' Association, at the March 29 session of the Department of Agriculture hearing. Mr. Armour testified that every packer in Kansas City has to buy hogs from farmers because there are not enough on the public market to supply the packers' requirements. He said operation of the Mistletoe yards could not possibly militate against the open market, because receipts there were not large enough. Hog prices at Kansas City were higher, he said, than at other comparable points. (Kansas City dispatch to press, Mar. 30.)

Section 5.

MARKET QUOTATIONS.

Farm Products

Mar. 29: Chicago wheat prices unsettled in narrow limits. Milling and cash demand spotted. Chicago May wheat lower at $1.32; Chicago May corn lower at 59¢. Closing prices in Chicago cash market: No. 2 red winter wheat $1.33; No. 2 hard winter wheat $1.32; No. 2 mixed corn 56¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa 42¢; No. 1 dark northern wheat in Central North Dakota $1.32 5/8.

Chicago hog prices strong to 10¢ higher, bulk of sales $9.75 to $10.30. Beef steers up 15¢, medium and good grades $7.15 to $8.85. Butcher cows and heifers up 15 to 25¢ at $4.35 to $8.25. Fat lambs steady at $13.75 to $16.10.

Potato markets firm. Maine Green Mountains in bulk firm, f.o.b., at $1.21 to $1.26 per 100 lbs. Florida Spaulding Rose slightly weaker in Eastern markets at $9.00 to $11.50 per bbl. Florida pointed cabbage in 1 1/2 bu. hamper slightly weaker in most Eastern markets at $1.00 to $1.37 1/2. Louisiana Klondikes strawberries $6.50 for 24 pint crates in Chicago.

Hay market firm at practically unchanged prices; receipts and demand light. Feed markets very quiet; production and stocks of most feeds good; offerings not easily absorbed; country demand dull.

Butter markets weak with exception of Chicago where feeling is steady; supply exceeds demand. Cheese markets on lower basis.

Spot cotton down 4 points, closing at 16.79¢ per lb. New York May futures down 8 points at 17.68¢. (Prepared by Bur. Mkts. & Crop Est.)

Industrials and Railroads

Mar. 29: Average closing price 20 industrials 87.90 compared with 76.26 corresponding day 1921; average closing price 20 railroad stocks 80.16 compared with 71.10. (Wall St. Jour, Mar.30.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news, particularly of an economic character, bearing upon the work of the Department. Prepared in the Press Service, Office of the Secretary, with the cooperation of the Bureaus.

Vol. IV, no. 75. Section 1. March 31, 1922.

One Bill for Government Reorganization

The Washington Star for March 30 says: "It is considered likely that the reorganization of the Federal departments and bureaus as planned by Walter F. Brown, chairman of the joint congressional commission, and approved by the President, will be embodied in one general bill when the matter is brought before Congress for consideration. This is the opinion, at least, of Senator Smoot, one of the leading advocates of reorganization and a member of the joint commission engaged in the task. He expressed this belief to-day following a conference at the White House with the President, during which the reorganization plan submitted several weeks ago was discussed in detail. ..."

American Valuation Plan

Chairman Fordney, of the House Ways and Means Committee, in a letter to the Senate Finance Committee, March 30, declared he would insist upon retention of the American valuation plan in the new tariff bill. The Senate committee has been reported as having agreed tentatively to report the measure with a foreign-valuation clause. (Press, Mar. 31.)

Cotton Statistics

Under the terms of a resolution introduced in the Senate yesterday by Senator Harris, the Bureau of the Census would be required to gather, compile and publish estimates of cotton remaining to be ginned at the same time it issues its statistics showing the amount actually ginned. (Press, Mar. 31.)

International Harvester Profit

The International Harvester Company made a net profit in 1921 of $4,149,918,80, as compared with $16,655,300 for 1920, according to the annual report made public in Chicago, March 30. Total sales were $121,215,000, or 54 per cent of the total for the preceding year. (Assoc. Press, Mar. 31.)

Economics Organization Formed

One hundred leading financiers, business men and economists, at the New York Bankers' Club yesterday, organized the National Economic Association. Its purpose is to educate the public, through the press, platform and exhibits, on economic questions, such as taxation, tariff and European readjustments, "to the end that sound legislation may be promoted and unsound proposals defeated." (N. Y. Times, Mar. 31.)

Section 2.

Agricultural Situation

"The West is Neither Broke nor Blue" is the title of an article in Commerce and Finance for March 29, by Alexander Fitzhugh, executive director Greater Des Moines Committee, who says: "While it is true that this farm wealth is selling for less than half the amount it commanded a year ago, the fact remains that the total is a vast sum and that practically all this sum is to be spent and is being spent by our farmers. Just as a railroad system may be running at a loss, and yet spend for its upkeep and maintenance say $100,000,000 during a given period -- so likewise must the farmers of the Mississippi Valley go on, whether they have made money or lost money; and while their wealth, as compared with that of 1919, is lessened, yet it is still a stupendous sum representing a tremendous purchasing power. And to the manufacturers who have clothing, and agricultural implements, and automobile tires, and incubators, and fencing and thousands of other farm articles to sell, it matters little whether the farmer who buys from them has made money or lost money, as long as he continues to buy. Well, Mr. Iowa Farmer alone has the above $800,000,000 which he is going to use and must use to buy these and a hundred other items, regardless of the fact that he is 'hard up.' It seems to us out here that it is high time that America be made aware of the fact that the western farmer is neither broke nor blue. You can not find here in Iowa an abandoned farm. You can not find a farm for sale at the 1914 prices. The only men in Iowa who have ever lost money on farm land are the few who bought at speculative prices for speculative re-sale."

Canadians to Initiate Farm-Land Campaign

A campaign to sell many millions of acres of land in western Canada to tenant farmers in the United States will soon begin. An association has been formed, backed by persons interested in promoting settlement in the Dominion. This body will attempt to get into touch with the holders of lands the world over, 5,000,000 acres of which are in Eastern Canada, 5,000,000 acres in the United States and another 5,000,000 acres in Great Britain. It is expected that an energetically conducted publicity campaign will get the desired purchasers. (Ottawa dispatch to Phila. Ledger, Mar. 30.)

Cattle Rate

Temporary suspension during the range season of the increase in freight rates on range cattle granted in 1920 was considered March 29 at a conference of representatives of the Interstate Commerce Commission, railroads and live-stock organizations. The railroad representatives were asked to present estimates and data March 30 to show the probable effects of such a suspension. (Press, Mar.30)

Freight Rates

Mississippi Valley railroads were found by the Interstate Commerce Commission March 29 to be justified in decreasing rates from Chicago territory on freight destined to the Pacific coast via Gulf ports and the Panama Canal. The order of suspension which the commission issued against the new schedules and which prevented the lower charges from becoming effective February 15 was withdrawn and the railroads were allowed to continue the lower rates on and after April 1. (Press, Mar. 30.)

Price Fixing

"Stabilization Through Price Fixing" is the title of an editorial in The Farmer (St. Paul) for March 25, which says: "A number of measures are now being considered in Congress which have for their purpose the stabilization of prices for farm products through some such device as the United States Grain Corporation which operated during the war. The Christopherson and Sinclair bills are typical of the stabilization idea, likewise the measure proposed by Congressman Knutson of Minnesota. All stabilization measures are based on the theory that the Government can control prices either through buying up the surplus each year or by arbitrary fixing of minimum prices. The theory is over 40 centuries old, and has been tried by many countries, and with uniformly unsatisfactory results. While Government price fixing sounds alluring, and is particularly attractive to the farmer just now, it is questionable if any such plan will actually work with benefit to the farmer in the long run. ... The greatest relief that can be given to the farmer to-day, in our opinion, is not through price fixing, but by taking the wind out of labor costs, manufacturing costs, and transportation costs, which have been artificially made. The leaders of organized labor are active advocates of the Sinclair and Christopherson bills not because of philanthropic interest in the farmer, but because these leaders know that Government price fixing on farm crops will give them the excuse to hold up and even increase the present wages of labor."

Rice Shortage Predicted

Heavy export movement and domestic demand sent the price of rice up a quarter of a cent last week. Exports totaled 75,000 bags, as compared with 53,000 the week before. A shortage seems inevitable. The big demand usually comes in April. The last sales of Blue Rose were at 2.3-6 to 5 cents. (N.O. dispatch to press, Mar. 29.)

Rural Credits

"After a most careful study of the Lenroot-Anderson bill we can not but express our entire approval of this plan of building a financial system suited to the agricultural needs of the country, just as the Federal Reserve system has been built for the business needs of the country. In normal times the farmer and his country banker have been well cared for by the Federal Reserve system. In times of stress such as we have gone through the past year the farmer and his country banker are at the mercy of the Federal Reserve system and the city banks. The Lenroot-Anderson bill proposes to prevent the financial experiences the farmer has undergone the past year. As such it is worthy of study and support by every thinking farmer." (The Farmer (St.Paul) Mar. 25.)

Wheat Marketing in Canada

The Annalist for March 27 says: "The farmers of the prairie provinces are making a demand upon the Federal Government for the immediate appointment of a Wheat Board to control and market the Canadian product. Such a board was brought into existence in 1919. ... Last year the farmers, in view of there being a less satisfactory market, wanted the board continued, but the Government refused to concur. In their present demands for the restoration of the wheat board, as outlined by a deputation that waited upon the Premier, it was urged that nothing short of a compulsory plan would be satisfactory. That is, they demand that every farmer in the country

should be compelled to sell his wheat to the board, and not a bushel on the open market. 'It must be compulsory or nothing,' declared the leader of the deputation. It is quite probable, in view of the dire condition of the farmers in the West, that a Wheat Board will be appointed, but it is scarcely likely that the Government will concur in the proposal to make it the only agency through which wheat can be sold."

Wool

The wool market is quieter owing to labor troubles at mills than for several months, but the moderate demands maintained for scoured and pulled wool helps to overcome absolute stagnation. So far as the mills are concerned the effect of the strike is no different on the wool trade than the voluntary closings. Both are curtailing production and causing a lesser demand. Wool men think mill managers will be content to let the situation rest as it is so long as orders fail to come forth in satisfactory volume. They are not anxious to pile up goods under present conditions, therefore the decision of operators not to accept the wage reduction. (Press, Mar. 31.)

Wyoming Live-Stock Situation

E. G. Lowry says in an article in The Philadelphia Public Ledger for March 30: "The live-stock men have had the same troubles in Wyoming as in other cattle States, but they have shown a sharper recovery than some of their neighbors; Colorado, for example. They took hold of their situation promptly. On a day last October they discovered they could get money from the War Finance Corporation if they would form a cattle-loan company and comply with certain conditions and regulations. They organized a company that same day, and a week later it was functioning. It has a capital of a million dollars, and the State, chiefly through it, has borrowed $7,265,000 from the War Finance Corporation. The banks of the State have cooperated and participated in this borrowing. All the live-stock men will tell you that this prompt action through this agency virtually saved the whole State from a tremendous smash. It gave them confidence, and with the return of confidence opportunity came, higher prices for sheep and cattle. As elsewhere, the sheep men are better off than the cattle men, because the advance in mutton and wool has been greater than the advance in the price of beef. However, neither of them is complaining now. They still owe a lot of money, and the herds on the ranges and the ranches are depleted, same say 25 per cent, some say 40 per cent. At any rate, they are below normal and must be replenished. Most of the stock raisers say they intend to replenish by breeding and not by purchase and that they will be able to pay themselves out of debt within two years unless they meet with some unexpected reverse. The troubles in the State began in the spring of 1920. In April of that year there was a tremendous snowfall. The ranges were full of cattle, all bought or produced at the very peak of the then prevailing high prices. Thousands of sheep and beef cattle were lost in this snow. On top of this disaster came the period of falling prices. Stock raisers tell that the whole State last autumn seemed just about ready to go broke. It is from this deep hole the Wyoming men have pulled themselves. And they have got so far along the upgrade as they are now, because they did not lose faith or courage and acted with decision and unitedly when the opportunity came to grasp the rope that was thrown to them."

Section 3.

Department of Agriculture

The Washington Herald to-day says: "Henry C. Wallace, Secretary of Agriculture, will make the principal address at the Washington Stock Exchange dinner tomorrow evening, according to announcement made by John L. Edwards yesterday afternoon. Report of Mr. Wallace's acquisition for this important role will be intensely pleasing, primarily, no doubt, due to the masterful manner in which the Secretary put the agricultural situation on its feet, which in turn led to a gradual revival of the industrial situation. This major accomplishment was made possible only through ardent cooperation on the part of the country's financiers, who caused a gradual loosening of interest rates which enabled the farmer to finance his undertakings. While no topic has been assigned Mr. Wallace as yet, it is expected he will speak on the relation of agriculture to the business and financial situation of the country. "

Section 4.

MARKET QUOTATIONS.

Farm Products

Mar. 30: Chicago wheat prices strong on buying by Eastern interests; Chicago May wheat higher at $1.35 1/4; Chicago May corn higher at 59¢. Cash demand improved. Closing prices in Chicago cash market: No. 2 red winter wheat $1.36; No. 2 hard winter wheat $1.35; No. 2 mixed corn 57¢; No. 3 white oats 36¢. Average farm prices: No. 2 mixed corn in Central Iowa 43 1/2¢; No. 1 dark northern wheat in Central North Dakota $1.32 3/8.

Chicago hog prices weak to 15¢ lower; bulk of sales $9.95 to $10.50; medium and good beef steers strong to 15¢ higher at $7.25 to $8.85. Butcher cows and heifers higher at $4.35 to $8.25. Fat lambs steady to strong at $13.75 to $16.10.

Chicago potato market weaker; other markets steady. Maine Green Mountains in bulk firm, f.o.b. shipping points at $1.21 to $1.31 per 100 lbs. Florida Spaulding Rose weaker in Eastern markets at $9.50 to $11.00 per bbl. Florida cabbage weak in Boston and Cincinnati at $1.00 to $1.25. Florida strawberries steady in Eastern markets at 40 to 65¢ per quart.

Hay market firm; receipts light; demand also light and mostly local. Feed markets very quiet. Country demand dull. Jobbers well stocked up and shading prices below mill quotations.

Butter markets unsettled with Chicago prices higher than prices in Eastern markets. Cheese markets lower with light trading.

Spot cotton up 21 points, closing at 17.00¢ per lb. New York May futures up 29 points at 17.97¢. (Prepared by Bur. of Mar. & Crop Est.)

Industrials and Railroads

Mar. 30: Average closing price 20 industrials 88.87 compared with 75.76 corresponding day 1921; average closing price 20 railroad stocks 80.86 compared with 70.78. (Wall St. Jour., Mar. 31.)
